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RESEARCH DEPARTMENT MEMORANDUM

KUWAIT-IRAQ RELATIONS

I. Introduction

During most of Kuwait's life as an independent or semi-independent state her relations with Iraq have been strained. The primary cause for this has been the Iraqi claim to sovereignty over Kuwaiti territory on the ostensible grounds that Kuwait formed part of the Ottoman Vilayat of Basrah before the First World War, and that Iraq, as successor to the Ottoman Government in the area, assumed sovereignty over Kuwait. Subsidiary arguments adduced from time to time in support of the Iraqi claim, whether it was made in its most extreme form of a claim to the whole of Kuwait, as in 1961, or in the more moderate form of a demand for a modification of the frontier agreed in 1932, as in 1968, have been Kuwait's importance to Iraq in matters of public security, trade and prevention of smuggling. Until 1963, when the Iraqi Government for the first time publicly and formally acknowledged Kuwait's /sovereignty

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sovereignty and independence, successive Iraqi Governments have cherished long-term ambitions to annex Kuwait. On the Kuwaiti side, the main complaints have been the persistent Iraqi refusal to recognise or demarcate the frontier agreed in 1932, and the Iraqi refusal to accept the position of the Al Sabah in regard to certain family properties in Iraq.

2. A consideration of the facts indicates that although the politico-legal arguments summarised above are those publicly affirmed by successive Iraqi Governments in support of their claim to control over a greater or lesser part of Kuwait, the fundamental reason for the claim was economic, with some strategic overtones. The existence of an independent Kuwait within the frontiers agreed in 1932 constitutes a major obstacle to Iraqi access to adequate deep sea port facilities and to adequate control over the approaches to these ports. Both Basrah and Fao are of restricted value as ports and can be maintained as deep water ports only by constant dredging of the approach channels, while unrestricted use of Basrah is also dependent on cordial relations between Iraq and Iran - a sometimes difficult or impossible state of affairs in Iraqi eyes. Umm Qasr has always been regarded as the only viable alternative port. However, because of its position close

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to the border, it would not be possible to develop the port area in the most rational manner, while the separate existence of Kuwait means that Umm Qasr suffers the same political disadvantages as Basrah. Rightly or wrongly, therefore, Iraqis have tended to regard the acquisition of sufficient Kuwaiti territory to allow the development of Umm Qasr and to secure Iraqi control over the approaches thereto as a minimum economic requirement.

3. It should be borne in mind that although Her Majesty's Government have tended to regard Kuwait as a northern extension of the Gulf trade route, it lies, in Iraqi eyes and in fact on an ancient trade route leading from the Mediterranean to Basrah and on to the Gulf and beyond. Within this context it should be noted that Kuwait's emergence as an important and prosperous trading centre owed much not only to intrinsic Kuwaiti characteristics but also to the fact that as a result of the seige and capture of Basrah by the Persians in 1776 the bulk of the Indian trade with Baghdad and the Levant was transferred from Basrah to Kuwait and that following the recapture of Basrah by the Ottomans, a sizeable proportion of this trade remained in Kuwait, where conditions were more favourable. In other words, Kuwait's prosperity as a trading centre was established at Iraq's expense. It is perhaps equally significant that Iraqi

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complaints of smuggling from Kuwait stem not only from the continued existence of more favourable trading conditions in Kuwait.

4. In recent years, Kuwait's attractiveness in Iraqi eyes has been enhanced considerably by the discovery and exploitation of enormous oil deposits. In common with most other progressive Arab States, Iraq has, since the revolution, regarded the high per capita income of Kuwait as a scandalous waste of resources which could be better employed in the more needy countries. - like Iraq - and it is not unlikely that this potential has contributed to Iraq's persistence in her claim to Kuwait. It should be noted that the Iraqi assessment of Kuwait's wealth and her use of it does not take into account the sizeable investment by Kuwait in the Arab world by direct loans and through the KFAED, or of Kuwait's indirect contributions to the economy of the Arab states through expatriate employees' remittances.

II. Relations prior to the 1958 Revolution.

5. Relations between Iraq and Kuwait before the revolution of 1958 were generally strained. In addition to Iraqi designs on Kuwait, causes of friction were Iraqi intransigence in the face of repeated Kuwaiti requests to demarcate the frontier, smuggling from Kuwait into Iraq which the Ruler of Kuwait refused to do anything to
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stop, frontier violations both real and alleged by both sides, Kuwaiti claims in respect of certain properties in Iraq and Umm Qasr. However, the Kuwaitis were not disposed to be co-operative over the Iraqi complaints concerning smuggling or over Iraqi attempts to secure the approaches to Umm Qasr in view of the Iraqi attitude over the frontier, and little was done of even a procedural nature to improve matters. Her Majesty's Government tried from time to time to define with greater precision the frontier which had been agreed by the Iraqi Prime Minister in 1932, but since the Iraqi Government never formally accepted these definitions, their legal validity was doubtful, in spite of the British view that they were valid since they did no more than define in precise terms a generalised description. The position was further complicated by the fact that successive Iraqi Governments refused to accept publicly the 1932 frontier description.

6. In 1956 in response to a suggestion that the frontier be demarcated, the Iraqi Government asked for a modification of the frontier which would give them sovereignty over Warbah Island and over a strip of territory in the Umm Qasr area, thus giving improved access to the Persian Gulf. The declared purpose in asking for this modification was to enable Iraq to further develop Umm Qasr as a port on the

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grounds that facilities at Basrah and Fao would eventually prove insufficient for Iraq's needs. It has been argued, however, that Iraq's motives were as much strategic as commercial, while the Kuwaitis regarded the proposal with intense suspicion as indicative of an underlying Iraqi intention to annex Kuwait. It became clear that cession of sovereignty would be completely unacceptable to Kuwait, although Iraq was prepared to accept conditions which at first sight appeared to be generous.

Consideration was therefore given to the possibility of Kuwait leasing to Iraq the territory the latter required for the development of Umm Qasr, and, for a period, it was hoped that it might be possible to link this project with another proposal under which Iraq would lease to Kuwait territory as required to permit the latter to draw water supplies by pipeline from the Shatt al Arab.

7. In addition to an understandable reluctance to place the supply of an essential such as water in the hands of a foreign state whose past actions towards Kuwait had been suspicious to say the least, and whose future policy was unpredictable, there was considerable opposition from the Kuwaiti merchant community led by Shaikh Fahad, one of the most powerful members of the Al Sabah oligarchy. This community was /ostensibly

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ostensibly moved by fears that the development of Umm Qasr as a port might conceivably result in depriving Kuwait of a share in the transit trade to the Mediterranean. Early in 1956, therefore, the Ruler, apparently acting on the advice of the Al Sabah Family Council, said that he no longer wished to link the two proposals, and the Umm Qasr project was shelved. It seems likely that the merchant community not only had real and perhaps justifiable fears on economic grounds, but were also suspicious of possible future Iraqi expansion once a foothold on Kuwaiti territory had been gained. It is also probable that the decision was influenced by the Kuwaiti Government's belief that any steps to link Kuwait more closely with Iraq would offend the UAR with whom Kuwait already had close ties, who was already the most powerful voice in pan-Arab affairs and who was not one to offend lightly, particularly in Kuwait where admiration for Nasser and his brand of Arab Nationalism was increasing.

8. At the time the Iraqis were considering the possibility of stringing an oil pipeline to Mina al Ahmadi to allow for increased exports by the Basrah Petroleum Company. Attempts were therefore made to link this project with the water pipeline project, but without success, since the Kuwaitis insisted on frontier demarcation

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as an essential prerequisite for either project and the Iraqis refused to consider demarcation. Further attempts to settle outstanding points of difference during 1957 also failed for the same reason, and no progress was made before the Revolution. The Iraqis maintained their refusal to recognise or demarcate the frontier unless Kuwait would cede the territory needed for the development of Umm Qasr, while the Kuwaitis refused to cede any territory and insisted on frontier demarcation as a prerequisite to any consideration of other outstanding matters.

9. The situation was further complicated at the beginning of 1958 by the hasty erection of the "Arab Union" between Iraq and Jordan. The Union was in no way a natural development, but was the immediate response of the traditional Hashimite monarchies to the announcement of the formation of the United Arab Republic between Egypt and Syria. Before the actual announcement of the Union, Iraq had put considerable pressure on Kuwait to join the projected confederation. Iraq's principal motive in urging this step was to make Kuwait's potential wealth available to help finance the Union, it being patently obvious that Jordan would be a liability. The Iraqis were also worried about /Egyptian

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Egyptian influence in Kuwait and the spread of Nasserist Arab Nationalism on the borders of Iraq. The Iraqis had been increasingly disturbed by the way Egyptian propaganda appeared to permeate all aspects of life in Kuwait, not only because of Egyptian influence in the educational system but also because of the unrestricted import of Egyptian periodicals and papers and the Egyptian influence on the State broadcasting system. Since Iraq was one of Egypt's main targets as an out of date monarchic régime, a strong anti-Iraqi feeling was generated through all these channels.

Although this feeling was not shared by the Ruling Family, the Iraqi Government considered that Kuwait was fundamentally unstable and that the combination of wild extravagance by the Ruling Family and social revolutionary propaganda imported from Egypt would upset the régime and thus pose a threat to Iraqi stability. It is, perhaps of interest to note that the Ruler of Kuwait considered shortly before the revolution that the Iraqi régime was insecure because it lacked popular support.

10. However, the Kuwaitis were suspicious of Iraqi policy, because of past history, while the Ruler saw no need to stand with his fellow monarchs against the threat of the UAR.

Equally, he saw no political or economic

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advantage to Kuwait from joining the Union. Indeed it seemed clear that Kuwait would lose economically, since her wealth would be used to help prop up Jordan, and politically, since closer liaison with the Union and hence with Iraq seemed bound to lead to a diminution of Kuwait's national integrity and perhaps to her eventual absorption by her larger neighbour. In addition, public opinion in Kuwait was largely indifferent or hostile to the Arab Union and strongly in favour of the UAR. Nevertheless, the Ruler agreed to visit Iraq in May to discuss outstanding matters, among which Kuwait's adherence to the Union was expected to loom largest. At this time Her Majesty's Government were trying to persuade the Iraqi Government that it was essential, if there was to be any hope of progress at all, to convince the Ruler of Kuwait that the Iraqi Government formally recognised the frontier and were prepared to demarcate it, and that this was merely the first step towards Iraqi recognition of Kuwait's independent sovereign status. At the same time Her Majesty's Government were also trying to convince the Ruler of Kuwait that there were real advantages in Kuwait adhering to the Union. The Ruler, however, was suspicious of the Iraqis and not entirely convinced that Her Majesty's Government's advice was as disinterested as it professed to be.

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11. The visit took place as planned, but the Ruler reacted unfavourably to increased Iraqi pressure and refused to commit himself to more than a consideration of the implications of joining the Union. He later took the firmer line that he was not prepared to join the Union although he would consider the possibility of some closer tie with Iraq. He also agreed to consider negotiations on the following points:-

- (a) reaffirmation of the land frontier and agreement on the method of demarcation.
- (b) commercial matters.
- (c) Kuwaiti investment in suitable projects and industries in Jordan and Iraq.
- (d) exchange of security information, particularly concerning subversive activities.
- (e) extradition.

12. This was not enough for the Iraqis, however, particularly for Nuri al Said, who had adopted throughout an uncompromising attitude, and a document was finally passed to Her Majesty's Government purporting to represent the views of the Arab Union. It was clear, however, that the document represented Nuri's most extreme opinions and that Union officials did not accept its findings in entirety. It was, however, an important document in that it codified Iraqi views on the subject of Kuwait. In the memorandum Nuri pointed out that before the

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First World War Kuwait was an integral part of the Ottoman Empire and formed part of the Vilayat of Basrah, that this position was not affected by the 1914 Anglo-Turkish Convention or by the special relationship which existed between Her Majesty's Government and the Shaikh of Kuwait towards the end of the 19th century, and that Kuwait's position as a part of Iraq, which was the successor state to the Ottoman Empire after the war, was not affected by the fact that Iraq had had to acquiesce in any unilateral arrangements made by Her Majesty's Government for the administration of the area. He emphasised that Kuwait's present importance to Iraq lay in the lack of effort on the part of the Kuwaiti authorities to put an end to smuggling from Kuwait, in Kuwait's lack of interest in maintaining an adequate measure of public security thus constituting a direct threat to Iraq, in Kuwait's refusal to allow Iraq free access to the waters of the Persian Gulf and the consequent grave effects on Iraq's economy and in the fact that Kuwait had become a centre for propaganda hostile to Iraq and emanating from Egypt and more recently the UAR. Finally he proposed that either Kuwait adhered to the Arab Union or the Iraqi Government would be compelled to prosecute their claims to a

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frontier with Kuwait which ran from the junction of Wadi al Auja and the Batin in a straight line eastwards to Jahrah.

13. During the course of discussions on the Union, it became clear that Iraqi motives in pressing for Kuwait's adherence to the Union, apart from any desire to annex Kuwait outright, were:-

- (a) the need for a sop for Iraqi public opinion which would show some advantage to Iraq from joining the Arab Union.
- (b) the need to offset the accession of the Yemen to the UAR.
- (c) the need for Kuwait's wealth to assist in maintaining Jordan, so that Iraq was not involved in an over-heavy financial burden.
- (d) the desire to detach Kuwait from her growing affinity for the Nasserist type of nationalism which Iraq considered hostile to the Iraqi régime.

The Kuwaiti position was compounded of the following:-

- (a) Kuwait did not agree that Nasser was basically inimical to the Kuwaiti régime.
- (b) Kuwait did not agree that her fate was bound up with that of Iraq.

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(c) the Ruler of Kuwait considered, in view of the widespread enthusiasm in Kuwait for the UAR and for Nasser, any attempt on his part to accede to the Arab Union against popular wishes constituted a real and immediate threat to his own position.

(d) there seemed, in any case, no real advantage, either political or economic, to Kuwait from accession to the Union.

It should be noted that Kuwait remained suspicious of Iraqi motives. That these suspicions were not unjustified was reflected in the fact that the Iraqi leaders had indicated privately that Kuwait had the choice of accession to the Union or cession of territory to Iraq, and that in the unlikely event of Kuwait adhering to the UAR or of a revolutionary situation arising in Kuwait, Iraq would not stand idly by. However, before matters had gone any further, the Iraqi revolution broke out and the question of Kuwait's possible adherence to the Arab Union became an academic one.

III. The Qasim Régime. 1958-1963.

14. During the months immediately following the Iraqi revolution relations between the two countries were fairly good, though distant.

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The new government in Iraq were generally too preoccupied with more pressing problems to spare much thought for Kuwait, while the Kuwaitis, although their suspicions remained, were prepared to put off considering their own attitude towards the new régime until its attitude towards Kuwait was clarified. Towards the end of 1958 the Ruler of Kuwait paid an official visit to Iraq to discuss matters of mutual concern. During this visit the Iraqis made no demur at proposals for frontier demarcation, agreed to define the sea-bed frontier in accordance with accepted principles of international law and agreed to the formulation of regulations to govern extradition and the exchange of information on subversive matters. However, since neither the Kuwaitis nor the Iraqis were prepared to force the pace, the progress during the Ruler's visit was largely procedural and no real progress in substance was made towards a settlement of common problems. Qasim impressed the Ruler of Kuwait as strong, sincere and single-minded, although the Ruler also expressed some concern at the apparent increase in Communist activity in Iraq. Despite the Ruler's misgivings, however, it seemed as if real progress on matters of mutual concern might at last be

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possible, and that the new Iraqi régime did not suffer from its predecessor's blind spot regarding Kuwait.

15. Despite the promising beginning, however, matters did not improve and the two countries drifted steadily further apart. By May 1959 the Kuwaiti Government were convinced that Qasim was probably a Communist, and that even if he were not, most of his administration was. In addition, the Ruler of Kuwait was convinced that Iraq still harboured aggressive intentions towards Kuwait. It is perhaps significant to note in this connection that the Iraqi régime as reconstituted in February 1959 was essentially hostile to the UAR and inclined to take an independent line. It is not unlikely that the Kuwaiti attitude was in part the result of UAR influence in Kuwait, although there was certainly sufficient justification for the Kuwaiti anxiety over Iraq's drift towards Communism. It is also relevant to note that the Ruler's anxieties over Iraqi intentions proved to be fully justified, although no overt move was made until June 1961.

16. Nevertheless the two countries continued to exist, if not in amity, at least without undue friction until the signature in June 1961 of the Exchange of Notes between Kuwait and the

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United Kingdom, which has come to be regarded as signalling Kuwait's emergence as a fully independent sovereign state. Six days after the signature, Qasim announced during a Press Conference that Kuwait was an integral part of Iraq and that a Republican Decree would be issued the following day appointing the Ruler of Kuwait provisional Qaimaqam of the Qadha of Kuwait in the Liwa of Basrah, subject to his continued good behaviour. This public declaration had been preceded by Qasim's private action of tearing up the original draft telegram congratulating the Ruler on the Exchange of Notes and substituting for it a telegram written by him personally in which Iraq's claim to Kuwait was implicitly asserted.

17. Qasim's action seems to have taken most of his Ministers and officials by surprise and was, indeed, a radical break with the Iraqi attitude towards Kuwait which had developed since 1958. The Iraqi claim had not been voiced either officially or unofficially since then and appeared to have been dropped. This view had been supported by Iraqi actions. Thus the Iraqi Government had asked in December 1958 for permission to install a Consul in Kuwait, and as late as 13 June 1961 Kuwait's entry into the International Labour Organisation had been supported by the Iraqi delegate whose speech, on behalf of the Arab States, clearly

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implied Iraqi acceptance of the separate international identity of Kuwait. Only a few months earlier Iraq had sponsored the establishment of the Organisation of Petroleum Exporting Countries, of which Kuwait was also a founder member, while Kuwait's separate participation in the inter-Arab agreements on the establishment of an Arab airline and an Arab tanker company, in the Arab Development Bank and in a number of other Arab and international organisations were further proof that Iraq had accepted Kuwait's separate identity.

18. In the days following Qasim's Press Conference, false reports of demonstrations in Kuwait in support of Qasim appeared in the Iraqi Press which also continued to proclaim Iraq's historic right to Kuwait and to support this claim by what purported to be historical arguments. However, the promised decree was never issued, although a Note, couched in relatively moderate language, in which the Iraqi claim was reasserted was sent to all diplomatic missions in Baghdad on 26 June 1961. During this period also reports of Iraqi troop movements and military preparations multiplied to the point where the Ruler of Kuwait considered the threat sufficiently serious to warrant asking for British assistance under the terms of the Exchange of Notes, and the first British troops landed in Kuwait on 1 July.

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19. Available evidence leaves some doubt whether the Iraqi Government intended to follow up their aggressive words with action. On the one hand, there appears to have been no first-hand evidence of imminent military operations, but on the other hand Baghdad was full of rumours of troop movements. In order to deter the Iraqis from any action they might be contemplating, and in order to reassure the Kuwaitis, therefore, Her Majesty's Government thought it best to leave no doubt of their readiness to fulfill their obligations to Kuwait. It seems likely in the light of available evidence that Qasim had intended for some time to annex Kuwait by subversion, negotiation or conquest, but that the Exchange of Notes and the consequent public change in Kuwait's status caught him on the wrong foot. He therefore resolved to press on with his plans for annexation before Kuwait's claim to independence was further strengthened by recognition by other states and by her entry into the UN and the Arab League. It is thought that his claim at the Press Conference was made in the hope that this pressure, aided by pro-Iraqi elements in Kuwait would be sufficient to bring about the desired end. However military dispositions were made in case forcible intervention proved necessary. It is probable /that

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that Qasim believed that British intervention was unlikely and that if it did occur it would be too slow to forestall him. He was consequently forced to change his plans in the light of the strength of the British reaction and the speed with which military backing was provided for Kuwait.

20. Qasim's motives for reviving the claim to Kuwait are equally difficult to assess. Apart from any genuine belief in the justice of the Iraqi claim, it seems likely that he was attempting to divert domestic attention from the internal shakiness of his régime by focusing popular attention on some foreign venture. In addition it should be remembered that the wealth and economic resources of Kuwait would make Iraq the most powerful economic force in the Arab world, would greatly strengthen Qasim's internal position and would lay the foundation for subsequent expansion south into the Persian Gulf States. In addition, by diminishing UAR pre-eminence, Iraqi annexation of Kuwait would greatly strengthen Iraq's political position in the Arab World.

21. Following his initial public claim to Kuwait, Qasim maintained a consistent line until his death in February 1963. Thus the Iraqi delegate opposed Kuwait's entry into the
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Arab League, and Iraq thereafter refused to have any dealings with the League on the grounds that Kuwait's admission was unconstitutional. Similarly Kuwait's application to join the UN was opposed by Iraq, and certain specific actions against Kuwaiti interests were also taken. Kuwaiti accounts in Iraqi banks were frozen, passports bearing a Kuwaiti stamp were no longer accepted, Kuwaiti vessels in Basrah harbour were seized on the grounds that they should have been carrying Iraqi papers, and all official contacts between the two countries lapsed.

22. However, informal contact was maintained, and during 1962 a number of attempts were made by merchants whose interests were suffering or who had an eye to the future, to reopen official contacts. In addition the Syrian Government proposed informally that Kuwait should become a sort of Arab Federal Territory and the home of the Arab League Headquarters. But the Kuwaiti Government, discreetly encouraged by Her Majesty's Government, resolutely refused to consider anything until Iraq formally recognised Kuwait's independent status. It should be noted that although these unofficial contacts were indicative of the distaste for Qasim's policies felt by many merchants and Government employees in Iraq,

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it should not be assumed that these were prepared to accept Kuwait as a separate entity. At most they disagreed with Qasim on the means of achieving his aim. There was therefore no fundamental change in the situation until Qasim was assassinated following the February 1963 revolution and a new Government, broadly aligned to the Ba'ath under Arif, was appointed.

IV. Post-Qasim.

23. The initial Kuwaiti reaction to the coup was one of unrestrained joy and a feeling that Kuwait's problems had been solved. Indeed, the Acting Amir and Prime Minister, Shaikh Sabah al Salim, had to be restrained from his inclination to ensure that Kuwait was the first to recognise the new régime in Iraq in the hope of bouncing them into according reciprocal recognition to Kuwait. However, Iraqi reaction to Kuwaiti efforts to promote better relations, possibly leading to Iraqi recognition, showed clearly that the new régime had not necessarily abandoned the long-standing claim to Kuwait, although it was equally clear that its leaders were abysmally ignorant of the facts about Kuwait. The Kuwaiti Government, therefore, decided that their best approach to the new Iraq would be through the Arab League, although the feeling persisted that if Kuwait was to
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benefit from the change of régime it would be necessary for a delegation to be despatched to Baghdad fairly soon to make official contact. The Iraqi Government appeared to regard Kuwait as possessing some of the attributes of sovereignty although not a fully fledged independent state, and it seemed as if Iraqi long-term hopes were pinned on the establishment of a form of confederation in which Kuwait retained her internal autonomy but in which defence and foreign affairs would be in Iraqi hands.

24. Unofficial contacts between the two countries quickly returned to their pre-1961 state, postal, telegraph and telephone contacts were resumed and the frontier was open again by the end of February 1963. However in no case were the Kuwaitis advised officially of Iraqi action. There were, in fact, no official Government contacts for some time, largely because the new Iraqi Government were faced with many more pressing problems requiring urgent solution. The lack of contact was, however, also due in part to the conclusion drawn by the Kuwaitis that it was in their best interests to await a first move by Iraq. Finally the Iraqi Foreign Minister announced on 6 March that his Government was willing to exchange ambassadors once more with those

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countries from which Qasim had withdrawn ambassadors over the Kuwait crisis. He also stated that his Government accepted that Kuwait possessed certain attributes of sovereignty and respected them and that they would welcome any delegation the Kuwaiti Government might like to send to Baghdad for discussions. He also suggested that the question of Kuwait should be discussed when the Arab League Secretary-General visited Baghdad. The Kuwaitis had already asked the latter to speak on their behalf.

25. On 21 March a Kuwaiti goodwill mission went to Baghdad, ostensibly to congratulate the new régime. The mission consisted of the Ministers for Foreign Affairs and Health, a senior Foreign Ministry official, and a prominent merchant who later became Ambassador in Beirut, but it was not empowered to undertake negotiations. The mission returned to Kuwait after three days, carrying a cordial, though non-committal letter from President Arif to Shaikh Abdullah, addressed to him as Amir of Kuwait, though not of the State of Kuwait. The Foreign Minister reported that the question of Kuwait's independence had been broached by the Iraqis, who had indicated their willingness to recognise Kuwait's

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independence if the Anglo-Kuwaiti Exchange of Notes of 1961 was abrogated, a form of association between the two States was established in which Iraq would control their joint foreign affairs and defence, and 50% of Kuwait's oil revenue was used to finance a development fund for use in Iraq and other Arab countries. However, Iraq would guarantee all existing oil concession agreements relating to Kuwait. The Kuwaiti delegation had replied that Kuwait would no doubt consider joining the union between the UAR, Syria and Iraq, which was under discussion at the time, once it had been set up. This was not however satisfactory to the Iraqi Government who were hoping to join the projected union as a "strong" country - i.e. after the problem of Kuwait had been settled to Iraq's satisfaction. Although the Kuwaiti response was little more than a delaying device since the Iraqi conditions were obviously unacceptable, the Amir instructed the Council of Ministers to explore possible methods of satisfying the Iraqis while still maintaining Kuwait's position that unconditional Iraqi recognition of the sovereignty and independence of Kuwait was a necessary prerequisite to any further discussions on matters of mutual concern.

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26. It was decided that an emissary should be sent to inform the Iraqi Government of this and to tell them that Kuwait would be happy thereafter to enter into further discussion but that it should be noted that Kuwait's constitution, though it was no bar to Kuwait forming part of some larger confederation of some kind, did debar her from becoming part of Iraq, or indeed of any other state. The emissary returned to Kuwait on 3 April, with confirmation that the Iraqi Government were insisting on the abrogation of the 1961 Exchange of Notes and on the establishment of some form of political and military association between the two states as a condition of recognition. The Iraqi proposals were still unacceptable to the Amir and he referred the matter to a committee whose recommendation that the Arab League and President Nasser should be advised of the exchanges was followed.

27. On 8 May the Iraqi Government suddenly and without notice despatched a delegation which included the Foreign Minister to Kuwait, ostensibly to return an earlier Kuwaiti visit to Baghdad. However, it transpired that the main Iraqi motive had been to ask for financial assistance, reportedly to the tune of KD 100 million. The Kuwaitis had apparently /agreed

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agreed in principle to give the Iraqis a long-term loan of KD 20 million directly in addition to a further KD 10 million through KFAED, provided a formula could be worked out which both saved Iraqi face and satisfied Kuwait's legitimate demands for unconditional recognition of her independence and sovereignty within the frontiers agreed in 1932.

28. In the meantime, Kuwait finally achieved membership of the United Nations on 14 May 1963, despite continued Iraqi opposition, and her confidence in the strength of her bargaining position increased considerably. However, the Iraqi opposition to her entry clearly showed that Iraqi recognition of Kuwait would not be accorded without a fight. Early in June the Kuwaiti Government passed to the Iraqi Government a draft formula, as promised, which provided for full recognition by the Iraqi Government of the sovereignty and independence of Kuwait within the frontiers agreed in 1932 as a necessary precondition to discussing other matters of mutual concern. The Iraqis eventually agreed to recognise Kuwait within the 1932 frontiers provided Kuwait would abrogate the 1961 Exchange of Letters and would announce her intention of working towards a federation between the two states. The Kuwaitis, however, felt that

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there was no necessity to concede anything to the Iraqis at this stage and towards the end of June a Kuwaiti delegation made another visit to Baghdad, this time with specific instructions to obtain unconditional Iraqi recognition of Kuwait. Only thereafter would the Kuwaiti Government be prepared to review other issues, such as the provision of financial assistance and existing international obligations. This mission also returned empty-handed since the Iraqis were still insistent upon the abrogation of the Exchange of Notes, a condition which the Kuwaiti Government considered both unacceptable and none of Iraq's business. No further official contacts occurred for some time, although unofficial talks continued in Beirut aimed at a compromise solution.

29. By the middle of August, the talks, which had changed status and become official, had resulted in a provisional agreement which provided for action to be taken in two stages. Firstly, Kuwait was to offer Iraq KD 2 million as a gift to be distributed among the families of those who had been killed or had suffered damage to their property during operations against the Kurds. In response the Iraqis would send a letter to Kuwait expressing their

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thanks and offering formal recognition of Kuwait. Secondly, there would be an exchange of delegations to negotiate a loan of KD 10 million through KFAED on its normal conditions, and a further direct Government loan of KD 20 million, probably interest free. Iraq's recognition of Kuwait would be unconditional, but would probably contain some reference to the statement to the National Assembly made by the Kuwaiti Government on 16 April 1963, in which they said that they would "take the question of the Anglo-Kuwaiti Exchange of Letters of 1961 into consideration, especially after conditions in the area have begun to become stable". Nevertheless the Kuwaiti Government insisted that any change in the terms of the Exchange of Notes was a matter for Kuwait alone to decide. It was subsequently decided that a joint communiqué should be issued after completing the first stage. The communiqué would contain an Iraqi statement recognising the independence and sovereignty of Kuwait within the frontiers agreed in 1932, a statement that both States would work together strengthening mutual relations and an agreement to exchange diplomatic representation immediately in order to establish cultural, commercial and economic co-operation. The agreed statement also eventually contained

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reference to the Exchange of Notes, stating that "whereas the Iraqi side have taken note of the announcement of the Government of Kuwait made to the Kuwaiti National Assembly on 9 April 1963, which embodied the desire of the Kuwait Government to work for the ending of the agreement concluded with the British at the opportune time".

30. Talks on the terms of the loan agreement continued well into September while the Kuwaitis became increasingly worried at the prospect of a united Ba'ath bloc consisting of Syria and Iraq facing them and at the possibility that a loan to Syria might be part of the price of Iraqi recognition.

These fears were however largely removed by the announcement on 15 September that Kuwait and Syria were to exchange Ambassadors and that Syria was proposing to seek a loan from KFAED on its normal conditions. Iraq immediately raised the price of recognition, now demanding that the whole KD 30 million should be an interest free loan. But since the Kuwaiti delegation were less anxious to achieve agreement at all costs now, the matter was referred to the National Assembly, which eventually approved a direct loan of the full sum, though not without opposition. An Agreed Minute was finally signed on

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4 October 1963 and arrangements for the loan concluded on 13 October 1963. This was the last major act of the Ba'ath-oriented Government of Iraq before the coup d'état of 18 November 1963.

31. Public reaction to the agreement and the loan in Kuwait was generally that Kuwait had been put in the undignified position of having to pay for something that other States had obtained free. The merchant community felt that the loan was no more than a short-term answer to Kuwait's stability, with no satisfactory long-term prospects, while the younger educated Kuwaitis asked what Kuwait had gained from the Iraqi recognition which she had not already possessed, and what was to stop the Iraqis from asking for more. Opposition in the National Assembly was based on the arguments that Kuwait's membership of the UN and the Arab League and the fact that over 80 nations recognised her independence meant that there was no need for such an expensive and potentially impermanent deal with Iraq. Iraqi reaction to the agreement was also generally one of opposition, since many Iraqis felt it was humiliating to have to bargain for financial assistance, while few, if any, Iraqis were really prepared to accept anything less than the eventual absorption of Kuwait by /Iraq,

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Iraq, although they recognised that it was necessary to choose the most suitable method of achieving this aim.

32. Discussions also commenced at this time concerning practical measures for improving relations between the two States. However, the Iraqi Government remained reluctant to consider demarcating the frontier and it was clear that this question like that of the eventual adherence of Kuwait to Iraq was a sensitive political issue in Iraq. Nevertheless relations between the two States improved considerably on the practical level and by early 1964 agreement in principle had been reached again on the possibility of Kuwait drawing water from the Shatt al Arab.

33. It was clear, however, that although the Kuwaitis welcomed the re-establishment of cordial relations with "sister" Iraq, they were privately sceptical of the real motives of the Iraqi Government and remained suspicious of possible Iraqi moves against Kuwait's independence. In spite of these not unjustified fears, the Iraqi nationalisation measures announced in July 1964, which provided inter alia for the nationalisation of all banks, insurance and re-insurance houses and a large

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number of industrial and commercial firms, in all of which there was a sizeable Kuwaiti investment, took the Kuwaitis by surprise. The measures were regarded as a clear breach of undertakings made by various delegations, both Government and private, since October 1963 in an attempt to attract Kuwaiti investment, all of which were regarded in Kuwait as morally binding. The Iraqi Foreign Minister visited Kuwait the following month, ostensibly in return for an earlier visit to Iraq by a Kuwaiti delegation. However the composition of the delegation he headed was considered sufficient reason for the widely held view that the real purpose of the visit was to allay Kuwaiti misgivings and suspicions aroused by the nationalisation measures. It was equally widely held that if this were so his visit was a failure, in spite of the Minister's references to co-ordinated investment in mutually attractive schemes, while Kuwait's response to Iraqi army manoeuvres near the border in October 1964 were indicative of how seriously the Kuwaitis took Iraqi protestations of co-operation and friendliness.

34. Nevertheless an Iraqi economic delegation visited Kuwait towards the end of October and the visit resulted in the signature of the Economic Agreement of 25 October 1964 together with its Protocol, setting out agreed measures

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to encourage private investment by nationals of each State in the other, with safeguards for ensuring the security of such investments and conditions for expropriation and compensation. Under the terms of the Agreement all agricultural, animal and industrial products from each State would be exempt from customs and other dues in the other provided that the value of the local raw materials used in the finished commodity was not less than 25% of the total production cost. Natural wealth and industrial products were also covered, with the exception of certain items to be enumerated in separate schedules still to be worked out. The Agreement also provided for the free movement of capital between the two States, while transit trade would be facilitated by the abolition of transit dues, and each State would grant the other most-favoured-nation treatment for its products. This agreement was not however ratified until June 1966, and the question of its practical implementation has since been used by Kuwait as a means of provoking Iraq into positive action on the vexed question of frontier demarcation.

35. Towards the end of March 1965 the Amir of Kuwait visited Baghdad, when the main topic for discussion was the demarcation of the

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frontier. However, no real progress was made since the Iraqi Government were still insistent on acquiring control of Warbah and Bubiyan Islands, although agreement was reached in principle on the establishment of a Joint Frontier Commission charged with demarcating the agreed frontier. There were further official contacts during the year resulting in protocols dealing with co-operation in the fields of culture and information media, but despite these outward signs of cordiality, relations were not good, mainly because of Iraq's continued reluctance to demarcate the frontier and Kuwait's polite but firm insistence on progress on this matter as an essential precondition to any further co-operation. For this reason, as well as for the more cogent one that the Kuwaitis were reluctant to trust their water supply to Iraq, no progress was made either on the Shatt al Arab water scheme or on any of the possible quid pro quos. Towards the end of 1965 relations grew worse when the Iraqi Government commenced building a new customs post on the frontier at a point which the Kuwaitis regarded as indisputably Kuwaiti territory. Tension rose and threats were made on both sides, but although there were no serious repercussions and the issue subsided,

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the incident clearly demonstrated once more the Iraqi belief in the innate justice of their claim to sovereignty over Kuwait.

Equally clear were the difficulties which would face any Iraqi Government which reached agreement on the frontier issue, and further progress was subject to continual delaying tactics by Iraq. By the middle of 1966, when the Amir of Kuwait paid an official visit to Iraq, the proposed Joint Frontier Commission had still to meet for the first time.

36. From the Iraqi point of view the most important result of the Amir's visit was the ratification by Kuwait and the exchange of instruments by both sides, of the long dormant Economic Agreement signed in 1964.

It was further agreed that the five permanent committees dealing with various aspects of the agreement would meet in Baghdad within two months and thereafter at least once a year in Baghdad and Kuwait alternately. From the Kuwaiti point of view the most important result of the visit was the Iraqi agreement to arranging the first meeting of the Joint Frontier Commission within two months. It was known that the Kuwaiti delegation had made it quite clear that progress on the economic front was entirely dependent on some /positive

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positive Iraqi gesture over the frontier. It seems likely, therefore, that in view of the identical time scales, the setting up of the committees and the Frontier Commission were linked, in Kuwaiti eyes at least. Despite the Iraqi promises, however, no progress was achieved on the Frontier Commission before President Arif's State Visit to Kuwait in December 1966. Although this was the first official visit of an Iraqi Head of State to Kuwait since the latter attained full independence, and indicative, as such, of Iraq's ostensible change of attitude, the talks showed once again the difficulty of pinning the Iraqis down on frontier demarcation, and the Kuwaiti Government once more pointed out to the Iraqis that the chances of economic and financial assistance and co-operation outside the scope of KFAED were minimal and would remain minimal until progress was made on the frontier issue.

37. Between President Arif's State visit and an official visit paid to Kuwait by the Iraqi Prime Minister Tahir Yahya in January 1968, there was little real progress towards a settlement of the frontier between the two countries which would mark Iraq's final acknowledgement of Kuwait's independent sovereignty
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over a defined territory and which is a necessary precursor to any real and lasting improvement in relations between the two countries. Although the Joint Border Commission finally met in Baghdad in March 1967 and in Kuwait in October 1967, the first meeting got no further than an Iraqi demand for the cession of Warbah and Bubiyan, obviously unacceptable to Kuwait, while the second meeting did no more than endorse a suggestion presumably advanced by Iraq to gain time, that both sides should survey the border areas separately again. Tension arose during April when the Iraqis moved troops up to the frontier area, removed an unoccupied Kuwaiti immigration tent and infringed Kuwaiti airspace. However the matter was quickly settled without incident. During the Arab-Israeli war of June 1967 and subsequently the Kuwaiti Government were anxious lest the Iraqis would take advantage of the general confusion in the Arab world to move against Kuwait. However Kuwaiti nervousness quickly disappeared as tension throughout the Middle East dropped and by December the Kuwaiti Foreign Minister was confident that the frontier question could be settled without difficulty.

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38. During Tahir Yahya's visit agreement was reached in principle on Kuwaiti financing, through KFAED, for a paper making plant in Basrah and a power station in Samarra. Agreement was also reached in principle on the setting up of a joint committee to study the possibilities of establishing joint projects in the iron, steel, petrochemical, brick and sulphur industries. However, it was generally agreed that little significance need be attached to these agreements until further progress was made on the frontier problem. It was clear that frontier settlement was regarded in Kuwait as a necessary quid pro quo for any further financial assistance, or for any negotiations aimed at getting it. Despite protestations of good faith the Iraqi Government had by April still made no real positive steps towards settling the frontier question and other matters of mutual concern remained in abeyance.

39. Clearly, Her Majesty's Government's decision to withdraw their military capability from the Gulf by 1971 will have its effect on Iraqi-Kuwait relations, since the Kuwaitis have generally considered the continued obligation to Her Majesty's Government to give military assistance to Kuwait as the main

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reason for the 1961 Exchange of Notes and a matter of paramount importance to Kuwait's continued existence. It was for this reason that Kuwait proposed the recent termination of the 1961 Exchange, although she also hopes to gain kudos in the Arab World from this action. The initial reaction in Kuwait to the announcement of the impending military withdrawal was one of stunned disbelief, followed by pessimistic suggestions that this would mean that it was only a matter of time before Iraq annexed Kuwait. There has been no visible Iraqi reaction as yet, although the announcement must inevitably have increased Iraqi ambitions. However Kuwait's support for the Arab cause, her large financial assistance to other Arab states, notably the UAR, and her separate membership of such bodies as the Arab League and the UN mean that a forcible Iraqi attempt at annexation is unlikely unless conditions are such in Kuwait that such an action could be justified to the Arab World.

V. Conclusions

40. Although Kuwait's relations with Iraq are better than they have been ever before, it is clearly wrong to suggest that the improvement is anything but temporary while Kuwait's frontier requirements remain

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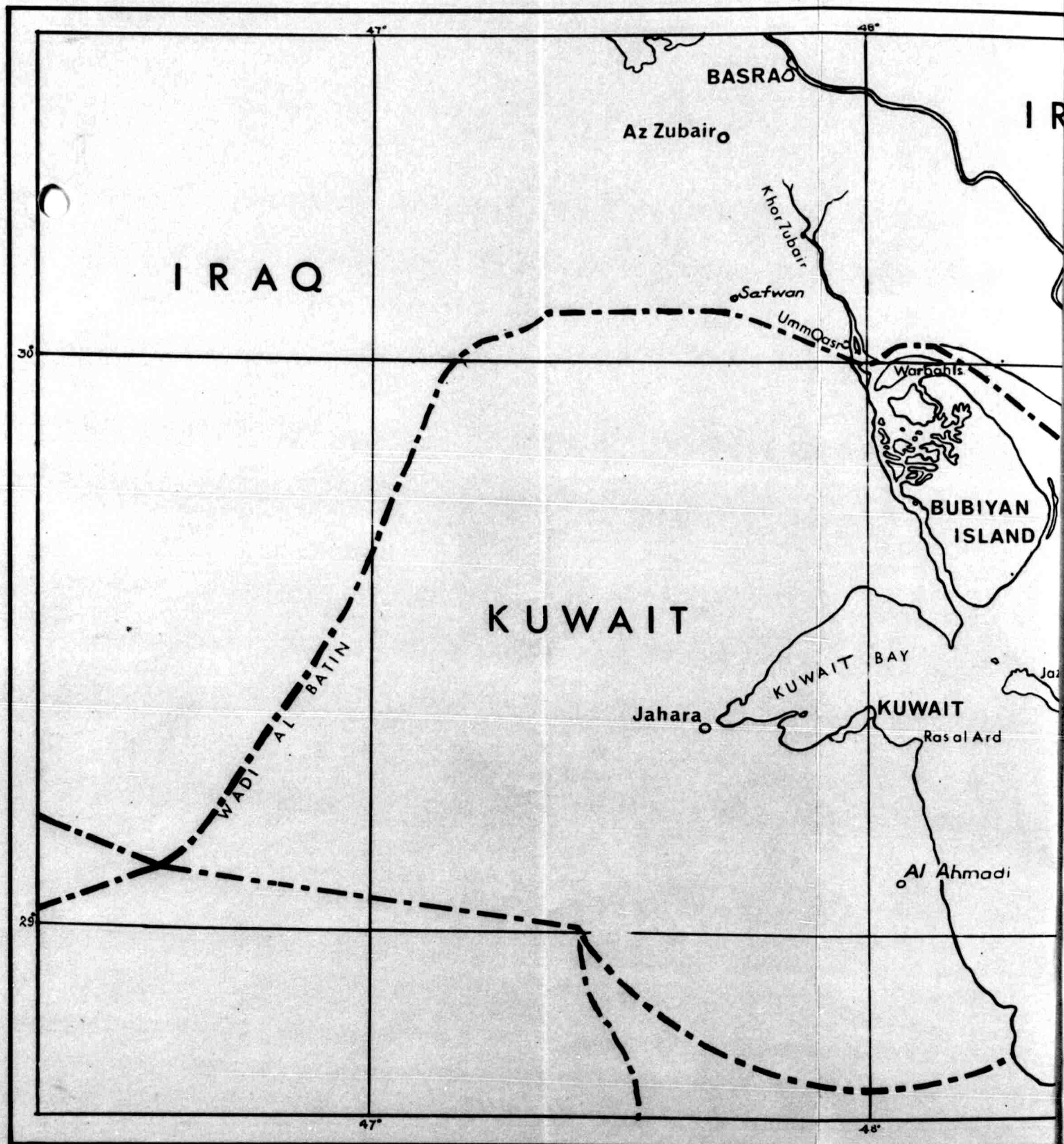
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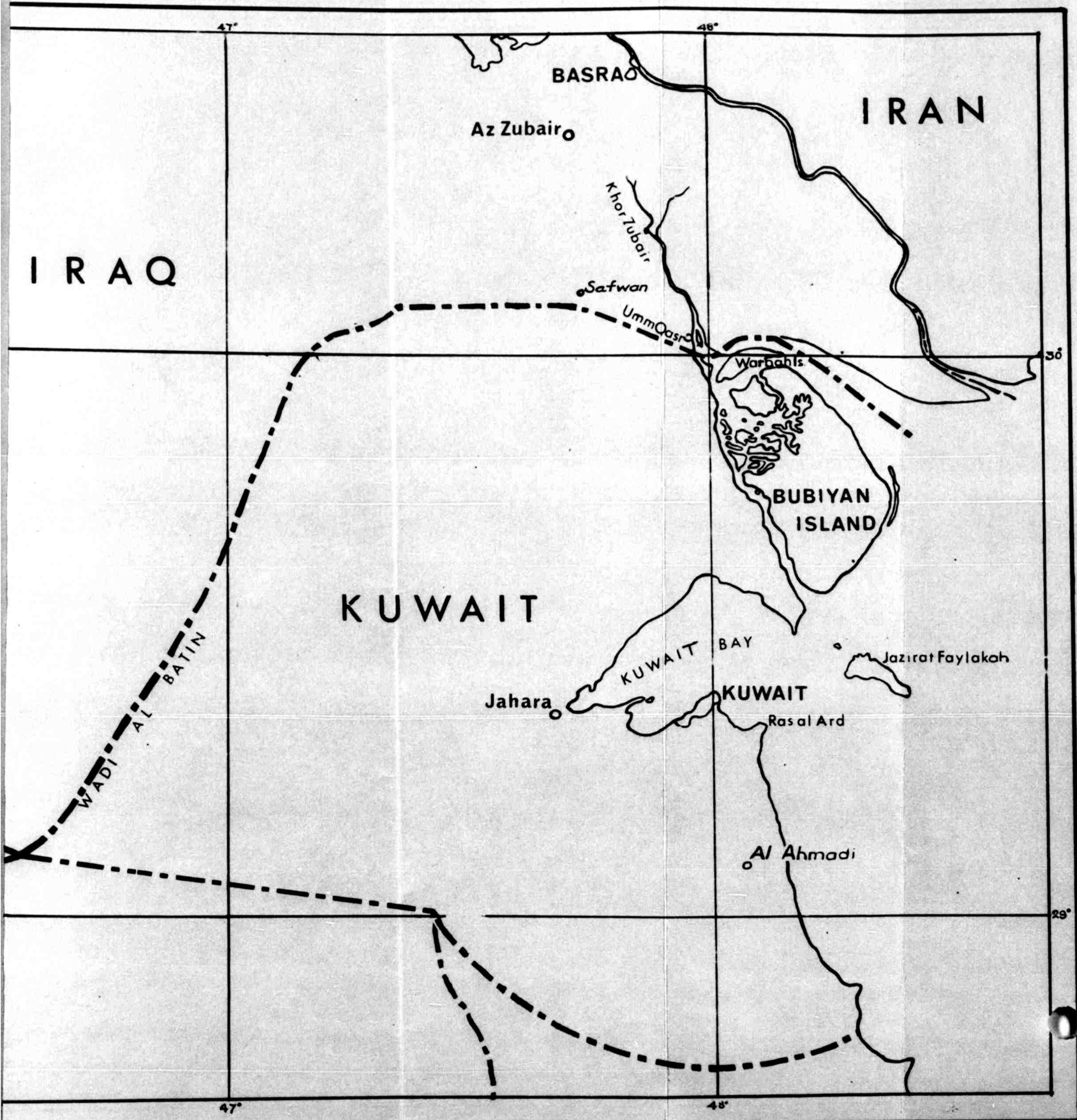
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unfulfilled, particularly in the light of the impending British withdrawal. It should be remembered that most older Kuwaitis profoundly distrust Iraq and Iraqi motives and that in addition to their concern about Iraq's past claims to Kuwait territory, concern about Soviet influence in Iraq has been growing. It is also worth noting that there has been little in the Iraqi attitude towards Kuwait which would lead anyone to modify this distrust and concern and that there is little doubt that Iraq's long-term ambitions towards Kuwait remain the same. It is unlikely therefore that the Kuwait Government will, in the foreseeable future, be able to discount Iraqi potential threats or accept that there has been a genuine and lasting improvement in their relations with Iraq.

Middle East Section,
Research Department.
20 June, 1968.

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RESEARCH DEPARTMENT MEMORANDUM

KUWAIT-IRAQ RELATIONS

SUMMARY

A. Relations between Kuwait and Iraq have been generally poor during most of Kuwait's existence. The primary cause has been Iraq's claim to sovereignty over Kuwait. This claim, though based in public on politico-legal arguments, stems fundamentally from economic and strategic ~~causes~~ ~~grounds~~. (Paragraphs 1-4).

B. Prior to the Iraqi revolution of 1958 relations between the two countries were marred by Iraqi intransigence on the question of frontier demarcation and by Kuwait's resultant refusal to co-operate in settling various Iraqi complaints and requests until progress was made on the frontier question. (Paragraphs 5-8). Iraqi pressure on Kuwait to join the short-lived "Arab Union" between Iraq and Jordan early in 1958 ~~WERE~~ was unsuccessful, although the Ruler of Kuwait agreed to commence negotiations on a number of points of mutual interest. This offer was considered inadequate by the Iraq Government, but before further progress had been made, the Iraqi revolution of July 1958 put an end to discussion. (Paragraphs 9-13).

C. Initially, relations between Kuwait and the new Iraqi régime were good and progress on matters of substance seemed possible, but by early 1959 the position had deteriorated. However, the two countries continued to exist without undue friction until 1961, when the Anglo-Kuwaiti Exchange of Notes led to a formal /declaration

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declaration by the Iraqi Premier that Kuwait was an integral part of Iraq. Although there is some doubt whether the Iraq Government intended to follow up bellicose words with action, ~~the~~ the Kuwait Government took the threats sufficiently seriously to ask for British military assistance under the terms of the Exchange of Notes. Qasim maintained his formal position until his death in 1963, although unofficial contacts between the two Governments were maintained. (Paragraphs 14-22).

D. Although unofficial contacts between the two countries quickly returned to the pre-1961 position after the Iraqi revolution of February 1963, official contacts were not resumed until late March, when a Kuwaiti delegation visited Baghdad. Thereafter negotiations commenced which culminated in the agreement of October 1963 under which Iraq recognised Kuwait's independence and sovereignty within the frontier agreed in 1932 in exchange for an interest-free loan of KD30 million. However, opposition to the agreement was voiced both in Iraq and in Kuwait. (Paragraphs 23-31).

E. Thereafter, relations improved on a practical level, although Iraq remained reluctant to demarcate the frontier and Kuwait remained suspicious of Iraqi motives. (Paragraphs 32-39).

F. Her Majesty's Government's decision to withdraw militarily from the Gulf by 1971 will affect Kuwait-Iraq relations although Iraq is unlikely to attempt forcible annexation of Kuwait unless it can justify such action to the Arab World. The change in Iraqi régime in July 1968 does not seem to have affected relations but the Kuwaitis are determined to be optimistic about it. (Paragraphs 40-41)

G. Although relations between the two countries are better than ever before, it would be rash to assume that Iraq has given up her ambitions or that there is any real hope of a genuine and lasting improvement in relations. (Paragraph 42)

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FOREIGN & COMMONWEALTH OFFICE,
LONDON, S.W.1.

(LR 6/31)

7 November, 1968.

I enclose a draft Research Department Memorandum on "Kuwait-Iraq Relations" on which we should welcome your comments.

I am also sending a copy to

(J. F. Ford)
Research Department

Addressed to:-

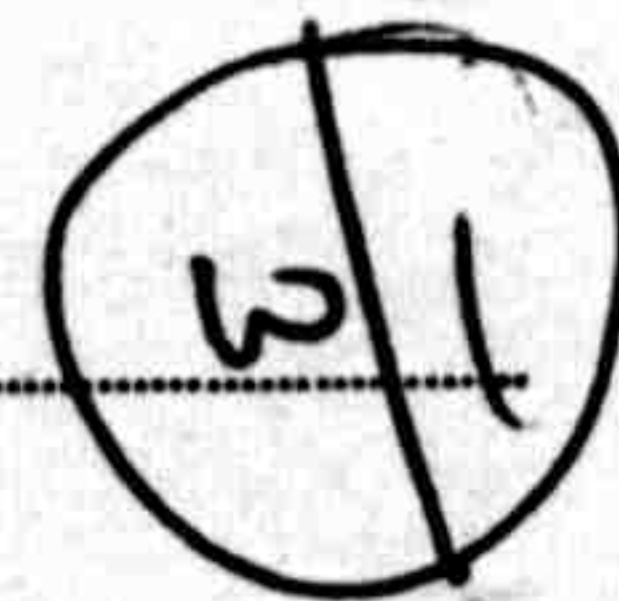
G.G. Arthur Esq., C.M.G.
KUWAIT

T.E. Evans Esq., C.M.G., O.B.E.
BAGHDAD.

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Reference.....



I agree
Mr. Ford. JF 5/11

Mr. Annin 6/11

Kerwin - Iraq Relations

I attach herewith the second draft of the above memorandum, compiled by Mr. Bannerman, which has been cleared with Near Eastern & Arabian Dept's.

2. Subject to any amendment by Mr. Ford, I suggest that it should now be sent to Baghdad + Kerwin for comment.

A. J. and

Middle East Section

4. November, 1968

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RESEARCH DEPARTMENT MEMORANDUM

KUWAIT-IRAQ RELATIONS

I. Introduction

During most of Kuwait's life as an independent or semi-independent state her relations with Iraq have been strained. The primary cause for this has been the Iraqi claim to sovereignty over Kuwaiti territory on the ostensible grounds that Kuwait formed part of the Ottoman Vilayat of Basrah before the First World War, and that Iraq, as successor to the Ottoman Government in the area, assumed sovereignty over Kuwait. Subsidiary arguments adduced from time to time in support of the Iraqi claim, whether it was made in its most extreme form of a claim to the whole of Kuwait, as in 1961, or in the more moderate form of a demand for a modification of the frontier agreed in 1932, as in 1968, have been Kuwait's importance to Iraq in matters of public security, trade and prevention of smuggling. Until 1963, when the Iraq Government for the first time publicly and formally acknowledged Kuwait's sovereignty and independence, successive Iraqi Governments have cherished long-term ambitions to annex Kuwait.

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On the Kuwaiti side, the main complaints have been the persistent Iraqi refusal to recognise or demarcate the frontier agreed in 1932, and the Iraqi refusal to accept the position of the Al Sabah in regard to certain family properties in Iraq.

2. A consideration of the facts indicates that although the politico-legal arguments summarised above are those publicly affirmed by successive Iraqi Governments in support of their claim to control over a greater or lesser part of Kuwait, the fundamental reason for the claim was economic, with some strategic overtones. The existence of an independent Kuwait within the frontiers agreed in 1932 constitutes a major obstacle to Iraqi access to adequate deep sea port facilities and to adequate control over the approaches to these ports. Both Basrah and Fao are of restricted value as ports and can be maintained as deep water ports only by constant dredging of the approach channels, while unrestricted use of Basrah is also dependent on cordial relations between Iraq and Iran - a sometimes difficult or impossible state of affairs in Iraqi eyes. Umm Qasr has always been regarded as the only viable alternative port. However, because of its position close to the border, it would not be possible to develop the port area in the most rational manner, while

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the separate existence of Kuwait means that Umm Qasr suffers the same political disadvantages as Basrah. Rightly or wrongly, therefore, Iraqis have tended to regard the acquisition of sufficient Kuwaiti territory to allow the development of Umm Qasr and to secure Iraqi control over the approaches thereto as a minimum economic requirement.

3. It should be borne in mind that although Her Majesty's Government have tended to regard Kuwait as a northern extension of the Gulf trade route, it lies, in Iraqi eyes and in fact, on an ancient trade route leading from the Mediterranean to Basrah and on to the Gulf and beyond. Within this context it should be noted that Kuwait's emergence as an important and prosperous trading centre owed much not only to intrinsic Kuwaiti characteristics but also to the fact that as a result of the seige and capture of Basrah by the Persians in 1776 the bulk of the Indian trade with Baghdad and the Levant was transferred from Basrah to Kuwait and that following the recapture of Basrah by the Ottomans, a sizeable proportion of this trade remained in Kuwait, where conditions were more favourable. In other words, Kuwait's prosperity as a trading centre was established at Iraq's expense. It is perhaps equally significant that Iraqi complaints of smuggling from Kuwait stem not only from the continued existence of more favourable trading conditions in Kuwait, but also from the Kuwaitis' natural dislike of losing lucrative trade.

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4. In recent years, Kuwait's attractiveness in Iraqi eyes has been enhanced considerably by the discovery and exploitation of enormous oil deposits. In common with most other "progressive" Arab States, Iraq has, since the revolution of 1958, regarded the high per capita income of Kuwait as a scandalous waste of resources which could be better employed in the more needy countries - like Iraq - and it is not unlikely that this potential has contributed to Iraq's persistence in her claim to Kuwait. It should be noted that the Iraqi assessment of Kuwait's wealth and her use of it does not take into account the sizeable investment by Kuwait in the Arab world by direct loans and grants, including, since the June 1967 war, annual grants to the UAR and Jordan totalling KD 48.17 million, and through the KFAED, or of Kuwait's indirect contributions to the economy of the Arab states through expatriate employees' remittances.

II. Relations prior to the 1958 Revolution.

5. Relations between Iraq and Kuwait before the revolution of 1958 were generally strained. In addition to Iraqi designs on Kuwait, causes of friction were Iraqi intransigence in the face of repeated Kuwaiti requests to demarcate the frontier, smuggling from Kuwait into Iraq which the Ruler of Kuwait refused to do anything to stop, frontier violations both real and

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alleged by both sides, Kuwaiti claims in respect of certain properties in Iraq and Umm Qasr. However, the Kuwaitis were not disposed to be co-operative over the Iraqi complaints concerning smuggling or over Iraqi attempts to secure the approaches to Umm Qasr in view of the Iraqi attitude over the frontier, and little was done of even a procedural nature to improve matters. Her Majesty's Government tried from time to time to define with greater precision the frontier which had been agreed by the Iraqi Prime Minister in 1932, but since the Iraqi Government never formally accepted these definitions, their legal validity was doubtful, in spite of the British view that they were valid since they did no more than define in precise terms a generalised description. The position was further complicated by the fact that successive Iraqi Governments refused to accept publicly the 1932 frontier description.

6. In 1956 in response to a suggestion that the frontier be demarcated, the Iraqi Government asked for a modification of the frontier which would give them sovereignty over Warbah Island and over a strip of territory in the Umm Qasr area, thus giving improved access to the Persian Gulf. The declared purpose in asking for this modification was to enable Iraq to further develop Umm Qasr as a port on the grounds that facilities at Basrah and Fao would eventually

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prove insufficient for Iraq's needs. It has been argued, however, that Iraq's motives were as much strategic as commercial, while the Kuwaitis regarded the proposal with intense suspicion as indicative of an underlying Iraqi intention to annex Kuwait. It became clear that cession of sovereignty would be completely unacceptable to Kuwait, although Iraq was prepared to accept conditions which at first sight appeared to be generous. Consideration was therefore given to the possibility of Kuwait leasing to Iraq the territory the latter required for the development of Umm Qasr, and, for a period, it was hoped that it might be possible to link this project with another proposal under which Iraq would lease to Kuwait territory as required to permit the latter to draw water supplies by pipeline from the Shatt al Arab.

7. In addition to an understandable reluctance to place the supply of an essential such as water in the hands of a foreign state whose past actions towards Kuwait had been suspicious to say the least, and whose future policy was unpredictable, there was considerable opposition from the Kuwaiti merchant community led by Shaikh Fahad, one of the most powerful members of the Al Sabah oligarchy. This community was ostensibly moved by fears that the development of Umm Qasr as a port might conceivably result

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in depriving Kuwait of a share in the transit trade to the Mediterranean. Early in 1956, therefore, the Ruler, apparently acting on the advice of the Al Sabah Family Council, said that he no longer wished to link the two proposals, and the Umm Qasr project was shelved. It seems likely that the merchant community not only had real and perhaps justifiable fears on economic grounds, but were also suspicious of possible future Iraqi expansion once a foothold on Kuwaiti territory had been gained. It is also probable that the decision was influenced by the Kuwaiti Government's belief that any steps to link Kuwait more closely with Iraq would offend the UAR with whom Kuwait already had close ties, who was already the most powerful voice in pan-Arab affairs and who was not one to offend lightly, particularly in Kuwait where admiration for Nasser and his brand of Arab Nationalism was increasing.

8. At the time the Iraqis were considering the possibility of stringing an oil pipeline to Mina al Ahmadi to allow for increased exports by the Basrah Petroleum Company. Attempts were therefore made to link this project with the water pipeline project, but without success, since the Kuwaitis insisted on frontier demarcation as an essential prerequisite for either project and the Iraqis refused to consider demarcation.

Further attempts to settle outstanding points of
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difference during 1957 also failed for the same reason, and no progress was made before the Revolution. The Iraqis maintained their refusal to recognise or demarcate the frontier unless Kuwait would cede the territory needed for the development of Umm Qasr, while the Kuwaitis refused to cede any territory and insisted on frontier demarcation as a prerequisite to any consideration of other outstanding matters.

9. The situation was further complicated at the beginning of 1958 by the hasty creation of the "Arab Union" between Iraq and Jordan. The Union was in no way a natural development, but was the immediate response of the traditional Hashimite monarchies to the announcement of the formation of the United Arab Republic between Egypt and Syria. Before the actual announcement of the Union, Iraq had put considerable pressure on Kuwait to join the projected confederation. Iraq's principal motive in urging this step was to make Kuwait's potential wealth available to help finance the Union, it being patently obvious that Jordan would be a liability. The Iraqis were also worried about Egyptian influence in Kuwait and the spread of Nasserist Arab Nationalism on the borders of Iraq. The Iraqis had been increasingly disturbed by the way Egyptian propaganda appeared to permeate all aspects of life in Kuwait, not only because of
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Egyptian influence in the educational system but also because of the unrestricted import of Egyptian periodicals and papers and the Egyptian influence on the State broadcasting system. Since Iraq was one of Egypt's main targets as an out of date monarchic régime, a strong anti-Iraqi feeling was generated through all these channels. Although this feeling was not shared by the Ruling Family, the Iraqi Government considered that Kuwait was fundamentally unstable and that the combination of wild extravagance by the Ruling Family and social revolutionary propaganda imported from Egypt would upset the régime and thus pose a threat to Iraqi stability. It is, of interest to note that the Ruler of Kuwait considered shortly before the revolution in 1958 that the Iraqi régime was insecure because it lacked popular support.

10. However, the Kuwaitis were suspicious of Iraqi policy, because of past history, while the Ruler saw no need to stand with his fellow monarchs against the threat of the UAR. Equally, he saw no political or economic advantage to Kuwait from joining the Union. Indeed it seemed clear that Kuwait would lose economically, since her wealth would be used to help prop up Jordan, and politically, since closer liaison with the Union and hence with Iraq seemed bound to lead to a diminution of Kuwait's national integrity and perhaps to her eventual

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absorption by her larger neighbour. In addition, public opinion in Kuwait was largely indifferent or hostile to the Arab Union and strongly in favour of the UAR. Nevertheless, the Ruler agreed to visit Iraq in May to discuss outstanding matters, among which Kuwait's adherence to the Union was expected to loom largest. At this time Her Majesty's Government were trying to persuade the Iraqi Government that it was essential, if there was to be any hope of progress at all, to convince the Ruler of Kuwait that the Iraqi Government formally recognised the frontier and were prepared to demarcate it, and that this was merely the first step towards Iraqi recognition of Kuwait's independent sovereign status. At the same time Her Majesty's Government were also trying to convince the Ruler of Kuwait that there were real advantages in Kuwait adhering to the Union. The Ruler, however, was suspicious of the Iraqis and not entirely convinced that Her Majesty's Government's advice was as disinterested as it professed to be.

11. The visit took place as planned, but the Ruler reacted unfavourably to increased Iraqi pressure and refused to commit himself to more than a consideration of the implications of joining the Union. He later took the firmer line that he was not prepared to join the Union /although

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although he would consider the possibility of some closer tie with Iraq. He also agreed to consider negotiations on the following points:-

- (a) reaffirmation of the land frontier and agreement on the method of demarcation.
- (b) commercial matters.
- (c) Kuwaiti investment in suitable projects and industries in Jordan and Iraq.
- (d) exchange of security information, particularly concerning subversive activities.
- (e) extradition.

12. This was not enough for the Iraqis, however, particularly for Nuri al Said, who had adopted throughout an uncompromising attitude, and a document was finally passed to Her Majesty's Government purporting to represent the views of the Arab Union. It was clear, however, that the document represented Nuri's most extreme opinions and that Union officials did not accept its findings in entirety. It was, however, an important document in that it codified Iraqi views on the subject of Kuwait. In the memorandum Nuri pointed out that before the First World War Kuwait was an integral part of the Ottoman Empire and formed part of the Vilayat of Basrah, that this position was not affected by the (1914) Anglo-Turkish Convention or by the special relationship which existed between /Her

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Her Majesty's Government and the Shaikh of Kuwait towards the end of the 19th century, and that Kuwait's position as a part of Iraq, which was the successor state to the Ottoman Empire after the war, was not affected by the fact that Iraq had had to acquiesce in any unilateral arrangements made by Her Majesty's Government for the administration of the area. He emphasised that Kuwait's present importance to Iraq lay in the lack of effort on the part of the Kuwaiti authorities to put an end to smuggling from Kuwait, in Kuwait's lack of interest in maintaining an adequate measure of public security thus constituting a direct threat to Iraq, in Kuwait's refusal to allow Iraq free access to the waters of the Persian Gulf and the consequent grave effects on Iraq's economy and in the fact that Kuwait had become a centre for propaganda hostile to Iraq and emanating from Egypt and more recently the UAR. Finally he proposed that either Kuwait adhered to the Arab Union or the Iraqi Government would be compelled to prosecute their claims to a frontier with Kuwait which ran from the junction of Wadi al Auja and the Batin in a straight line eastwards to Jahrah.

13. During the course of discussions on the Union, it became clear that Iraqi motives in pressing for Kuwait's adherence to the Union, apart from any desire to annex Kuwait outright, were:-

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- (a) the need for a sop for Iraqi public opinion which would show some advantage to Iraq from joining the Arab Union.
- (b) the need to offset the accession of the Yemen to the UAR.
- (c) the need for Kuwait's wealth to assist in maintaining Jordan, so that Iraq was not involved in an over-heavy financial burden.
- (d) the desire to detach Kuwait from her growing affinity for the Nasserist type of nationalism which Iraq considered hostile to the Iraqi régime.

The Kuwaiti position was compounded of the following:-

- (a) Kuwait did not agree that Nasser was basically inimical to the Kuwaiti régime.
- (b) Kuwait did not agree that her fate was bound up with that of Iraq.
- (c) the Ruler of Kuwait considered, in view of the widespread enthusiasm in Kuwait for the UAR and for Nasser, any attempt on his part to accede to the Arab Union against popular wishes constituted a real and immediate threat to his own position.
- (d) there seemed, in any case, no real advantage, either political or economic, to Kuwait from accession to the Union.

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It should be noted that Kuwait remained suspicious of Iraqi motives. That these suspicions were not not unjustified was reflected in the fact that the Iraqi leaders had indicated privately that Kuwait had the choice of accession to the Union or cession of territory to Iraq, and that in the unlikely event of Kuwait adhering to the UAR or of a revolutionary situation arising in Kuwait, Iraq would not stand idly by. However, before matters had gone any further, the Iraqi revolution broke out in July 1958 and the question of Kuwait's possible adherence to the Arab Union became an academic one.

III. The Qasim Régime. 1958-1963.

14. During the months immediately following the Iraqi revolution relations between the two countries were fairly good, though distant. The new government in Iraq were generally too preoccupied with more pressing problems to spare much thought for Kuwait, while the Kuwaitis, although their suspicions remained, were prepared to put off considering their own attitude towards the new régime until its attitude towards Kuwait was clarified. Towards the end of 1958 the Ruler of Kuwait paid an official visit to Iraq to discuss matters of mutual concern. During this visit the Iraqis made no demur at
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proposals for frontier demarcation, agreed to define the sea-bed frontier in accordance with accepted principles of international law and agreed to the formulation of regulations to govern extradition and the exchange of information on subversive matters. However, since neither the Kuwaitis nor the Iraqis were prepared to force the pace, the progress during the Ruler's visit was largely procedural and no real progress in substance was made towards a settlement of common problems. Qasim impressed the Ruler of Kuwait as strong, sincere and single-minded, although the Ruler also expressed some concern at the apparent increase in Communist activity in Iraq. Despite the Ruler's misgivings, however, it seemed as if real progress on matters of mutual concern might at last be possible, and that the new Iraq régime did not suffer from its predecessor's blind spot regarding Kuwait.

15. Despite the promising beginning, however, matters did not improve and the two countries drifted steadily further apart. By May 1959 the Kuwaiti Government were convinced that Qasim was probably a Communist, and that even if he were not, most of his administration was. In addition, the Ruler of Kuwait was convinced that Iraq still harboured aggressive intentions towards Kuwait. It is perhaps significant to

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note in this connection that the Iraqi régime as reconstituted in February 1959 was essentially hostile to the UAR and inclined to take an independent line. It is not unlikely that the Kuwaiti attitude was in part the result of UAR influence in Kuwait, although there was certainly sufficient justification for the Kuwaiti anxiety over Iraq's drift towards Communism. It is also relevant to note that the Ruler's anxieties over Iraqi intentions proved to be fully justified, although no overt move was made until June 1961.

16. Nevertheless the two countries continued to exist, if not in amity, at least without undue friction until the signature in June 1961 of the Exchange of Notes between Kuwait and the United Kingdom, which has come to be regarded as signalling Kuwait's emergence as a fully independent sovereign state. Six days after the signature, Qasim announced during a Press Conference that Kuwait was an integral part of Iraq and that a Republican Decree would be issued the following day appointing the Ruler of Kuwait provisional Qaimaqam of the Qadha of Kuwait in the Liwa of Basrah, subject to his continued good behaviour. This public declaration had been preceded by Qasim's private action of tearing up the original draft telegram congratulating the Ruler on the Exchange of

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Notes and substituting for it a telegram written by him personally in which Iraq's claim to Kuwait was implicitly asserted.

17. Qasim's action seems to have taken most of his Ministers and officials by surprise and was, indeed, a radical break with the Iraqi attitude towards Kuwait which had developed since 1958. The Iraqi claim had not been voiced either officially or unofficially since then and appeared to have been dropped. This view had been supported by Iraqi actions. Thus the Iraqi Government had asked in December 1958 for permission to install a Consul in Kuwait, and as late as 13 June 1961 Kuwait's entry into the International Labour Organisation had been supported by the Iraqi delegate whose speech, on behalf of the Arab States, clearly implied Iraqi acceptance of the separate international identity of Kuwait. Only a few months earlier Iraq had sponsored the establishment of the Organisation of Petroleum Exporting Countries, of which Kuwait was also a founder member, while Kuwait's separate participation in the inter-Arab agreements on the establishment of an Arab airline and an Arab tanker company, in the Arab Development Bank and in a number of other Arab and international organisations were further proof that Iraq had accepted Kuwait's separate identity.

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18. In the days following Qasim's Press Conference, false reports of demonstrations in Kuwait in support of Qasim appeared in the Iraqi Press which also continued to proclaim Iraq's historic right to Kuwait and to support this claim by what purported to be historical arguments. However, the promised decree was never issued, although a Note, couched in relatively moderate language, in which the Iraqi claim was reasserted was sent to all diplomatic missions in Baghdad on 26 June 1961. During this period also reports of Iraqi troop movements and military preparations multiplied to the point where the Ruler of Kuwait considered the threat sufficiently serious to warrant asking for British assistance under the terms of the Exchange of Notes, and the first British troops landed in Kuwait on 1 July.

19. Available evidence leaves some doubt whether the Iraqi Government intended to follow up their aggressive words with action. On the one hand, there appears to have been no first-hand evidence of imminent military operations, but on the other hand Baghdad was full of rumours of troop movements. In order to deter the Iraqis from any action they might be contemplating, and in order to reassure the Kuwaitis, therefore, Her Majesty's Government thought it best to leave no doubt of their readiness to fulfill their obligations to Kuwait. It seems
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likely in the light of available evidence that Qasim had intended for some time to annex Kuwait by subversion, negotiation or conquest, but that the Exchange of Notes and the consequent public change in Kuwait's status caught him on the wrong foot. He therefore resolved to press on with his plans for annexation before Kuwait's claim to independence was further strengthened by recognition by other states and by her entry into the UN and the Arab League. It is thought that his claim at the Press Conference was made in the hope that this pressure, aided by pro-Iraqi elements in Kuwait, would be sufficient to bring about the desired end. However military dispositions were made in case forcible intervention proved necessary. It is probable that Qasim believed that British intervention was unlikely and that if it did occur it would be too slow to forestall him. He was consequently forced to change his plans in the light of the strength of the British reaction and the speed with which military backing was provided for Kuwait.

20. Qasim's motives for reviving the claim to Kuwait are equally difficult to assess. Apart from any genuine belief in the justice of the Iraqi claim, it seems likely that he was attempting to divert domestic attention from the internal shakiness of his régime by focussing popular attention on some foreign venture. In addition

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it should be remembered that the wealth and economic resources of Kuwait would make Iraq the most powerful economic force in the Arab world, would greatly strengthen Qasim's internal position and would lay the foundation for subsequent expansion south into the Persian Gulf States. In addition, by diminishing UAR pre-eminence, Iraqi annexation of Kuwait would greatly strengthen Iraq's political position in the Arab World.

21. Following his initial public claim to Kuwait, Qasim maintained a consistent line until his death in February 1963. Thus the Iraqi delegate opposed Kuwait's entry into the Arab League, and Iraq thereafter refused to have any dealings with the League on the grounds that Kuwait's admission was unconstitutional.

Similarly Kuwait's application to join the UN was opposed by Iraq, and certain specific actions against Kuwaiti interests were also taken.

Kuwaiti accounts in Iraqi banks were frozen, passports bearing a Kuwaiti stamp were no longer accepted, Kuwaiti vessels in Basrah harbour were seized on the grounds that they should have been carrying Iraqi papers, and all official contacts between the two countries lapsed.

22. However, informal contact was maintained, and during 1962 a number of attempts were made by merchants whose interests were suffering or /who

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who had an eye to the future, to reopen official contacts. In addition the Syrian Government proposed informally that Kuwait should become a sort of Arab Federal Territory and the home of the Arab League Headquarters. But the Kuwaiti Government, discreetly encouraged by Her Majesty's Government, resolutely refused to consider anything until Iraq formally recognised Kuwait's independent status. It should be noted that although these unofficial contacts were indicative of the distaste for Qasim's policies felt by many merchants and Government employees in Iraq, it should not be assumed that these were prepared to accept Kuwait as a separate entity. At most they disagreed with Qasim on the means of achieving his aim. There was therefore no fundamental change in the situation until Qasim was executed following the February 1963 revolution and a new, predominantly Ba'ath, Government was formed under President Arif.

IV. Post-Qasim.

23. The initial Kuwaiti reaction to the coup was one of unrestrained joy and a feeling that Kuwait's problems had been solved. Indeed, the Acting Amir and Prime Minister, Shaikh Sabah al Salim, had to be restrained from his inclination to ensure that Kuwait was the first to recognise the new régime in Iraq in the hope of bouncing them into according reciprocal recognition to Kuwait. However, Iraqi reaction to Kuwaiti efforts to promote better relations, possibly

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leading to Iraqi recognition, showed clearly that the new régime had not necessarily abandoned the long-standing claim to Kuwait, although it was equally clear that its leaders were abysmally ignorant of the facts about Kuwait. The Kuwait~~h~~ Government, therefore, decided that their best approach to the new Iraq would be through the Arab League, although the feeling persisted that if Kuwait was to benefit from the change of régime it would be necessary for a delegation to be despatched to Baghdad fairly soon to make official contact. The Iraq~~y~~ Government appeared to regard Kuwait as possessing some of the attributes of sovereignty although not a fully fledged independent state, and it seemed as if Iraqi long-term hopes were pinned on the establishment of a form of confederation in which Kuwait retained her internal autonomy but in which defence and foreign affairs would be in Iraqi hands.

24. Unofficial contacts between the two countries quickly returned to their pre-1961 state, postal, telegraph and telephone contacts were resumed and the frontier was open again by the end of February 1963. However in no case were the Kuwaitis advised officially of Iraqi action. There were, in fact, no official Government contacts for some time, largely /because

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because the new Iraqi Government were faced with many more pressing problems requiring urgent solution. The lack of contact was, however, also due in part to the conclusion drawn by the Kuwaitis that it was in their best interests to await a first move by Iraq. Finally the Iraqi Foreign Minister announced on 6 March that his Government was willing to exchange ambassadors once more with those countries from which Qasim had withdrawn ambassadors over the Kuwait crisis. He also stated that his Government accepted that Kuwait possessed certain attributes of sovereignty and respected them and that they would welcome any delegation the Kuwaiti Government might like to send to Baghdad for discussions. He also suggested that the question of Kuwait should be discussed when the Arab League Secretary-General visited Baghdad. The Kuwaitis had already asked the latter to speak on their behalf.

25. On 21 March a Kuwaiti goodwill mission went to Baghdad, ostensibly to congratulate the new régime. The mission consisted of the Ministers for Foreign Affairs and Health, a senior Foreign Ministry official, and a prominent merchant who later became Ambassador in Beirut, but it was not empowered to undertake negotiations. The mission returned to Kuwait after three days, carrying a cordial, though non-committal letter

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from President Arif to Shaikh Abdullah, addressed to him as Amir of Kuwait, though not of the State of Kuwait. The Foreign Minister reported that the question of Kuwait's independence had been broached by the Iraqis, who had indicated their willingness to recognise Kuwait's independence if the Anglo-Kuwaiti Exchange of Notes of 1961 was abrogated, a form of association between the two States was established in which Iraq would control their joint foreign affairs and defence, and 50% of Kuwait's oil revenue was used to finance a development fund for use in Iraq and other Arab countries. However, Iraq would guarantee all existing oil concession agreements relating to Kuwait. The Kuwaiti delegation had replied that Kuwait would no doubt consider joining the union between the UAR, Syria and Iraq, which was under discussion at the time, once it had been set up. This was not however satisfactory to the Iraqi Government who were hoping to join the projected union as a "strong" country - i.e. after the problem of Kuwait had been settled to Iraq's satisfaction. Although the Kuwaiti response was little more than a delaying device since the Iraqi conditions were obviously unacceptable, the Amir instructed the Council of Ministers to explore possible methods of satisfying the Iraqis while still maintaining Kuwait's position that unconditional Iraqi

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recognition of the sovereignty and independence of Kuwait was a necessary prerequisite to any further discussions on matters of mutual concern.

26. It was decided that an emissary should be sent to inform the Iraq~~y~~ Government of this and to tell them that Kuwait would be happy thereafter to enter into further discussion but that it should be noted that Kuwait's constitution, though it was no bar to Kuwait forming part of some larger confederation of some kind, did debar her from becoming part of Iraq, or indeed of any other state. The emissary returned to Kuwait on 3 April, with confirmation that the Iraq~~y~~ Government were insisting on the abrogation of the 1961 Exchange of Notes and on the establishment of some form of political and military association between the two states as a condition of recognition. The Iraqi proposals were still unacceptable to the Amir and he referred the matter to a committee whose recommendation that the Arab League and President Nasser should be advised of the exchanges was followed.

27. On 8 May the Iraq~~y~~ Government suddenly and without notice despatched a delegation which included the Foreign Minister to Kuwait, ostensibly to return an earlier Kuwaiti visit to Baghdad. However, it transpired that the main Iraqi motive had been to ask for financial assistance, reportedly to the tune of KD 100 million.

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The Kuwaitis had apparently agreed in principle to give the Iraqis a long-term loan of KD 20 million directly in addition to a further KD 10 million through KFAED, provided a formula could be worked out which both saved Iraqi face and satisfied Kuwait's legitimate demands for unconditional recognition of her independence and sovereignty within the frontiers agreed in 1932.

28. In the meantime, Kuwait finally achieved membership of the United Nations on 14 May 1963, despite continued Iraqi opposition, and her confidence in the strength of her bargaining position increased considerably. However, the Iraqi opposition to her entry clearly showed that Iraqi recognition of Kuwait would not be accorded without a fight. Early in June the Kuwait~~s~~ Government passed to the Iraq~~s~~ Government a draft formula, as promised, which provided for full recognition by the Iraq~~s~~ Government of the sovereignty and independence of Kuwait within the frontiers agreed in 1932 as a necessary precondition to discussing other matters of mutual concern. The Iraqis eventually agreed to recognise Kuwait within the 1932 frontiers provided Kuwait would abrogate the 1961 Exchange of Letters and would announce her intention of working towards a
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federation between the two states. The Kuwaitis, however, felt that there was no necessity to concede anything to the Iraqis at this stage and towards the end of June a Kuwaiti delegation made another visit to Baghdad, this time with specific instructions to obtain unconditional Iraqi recognition of Kuwait. Only thereafter would the Kuwait~~2~~ Government be prepared to review other issues, such as the provision of financial assistance and existing international obligations. This mission also returned empty-handed since the Iraqis were still insistent upon the abrogation of the Exchange of Notes, a condition which the Kuwaiti Government considered both unacceptable and none of Iraq's business. No further official contacts occurred for some time, although unofficial talks continued in Beirut aimed at a compromise solution.

29. By the middle of August, the talks, which had changed status and become official, had resulted in a provisional agreement which provided for action to be taken in two stages. Firstly, Kuwait was to offer Iraq KD 2 million as a gift to be distributed among the families of those who had been killed or had suffered damage to their property during operations against the Kurds. In response the Iraqis would send a letter to Kuwait expressing their thanks
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and offering formal recognition of Kuwait. Secondly, there would be an exchange of delegations to negotiate a loan of KD 10 million through KFAED on its normal conditions, and a further direct Government loan of KD 20 million, probably interest free. Iraq's recognition of Kuwait would be unconditional, but would probably contain some reference to the statement to the National Assembly made by the Kuwait~~s~~ Government on 16 April 1963, in which they said that they would "take the question of the Anglo-Kuwaiti Exchange of Letters of 1961 into consideration, especially after conditions in the area have begun to become stable". Nevertheless the Kuwait~~s~~ Government insisted that any change in the terms of the Exchange of Notes was a matter for Kuwait alone to decide. It was subsequently decided that a joint communiqué should be issued after completing the first stage. The communiqué would contain an Iraqi statement recognising the independence and sovereignty of Kuwait within the frontiers agreed in 1932, a statement that both States would work together strengthening mutual relations and an agreement to exchange diplomatic representation immediately in order to establish cultural, commercial and economic co-operation. The agreed statement also eventually contained reference to the Exchange of Notes, stating that ~~whereas the~~^{the} /Iraqi

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Iraqi side have taken note of the announcement of the Government of Kuwait made to the Kuwaiti National Assembly on 9 April 1963, which embodied the desire of the Kuwait Government to work for the ending of the agreement concluded with the British at the opportune time".

30. Talks on the terms of the loan agreement continued well into September while the Kuwaitis became increasingly worried at the prospect of a united Ba'ath bloc consisting of Syria and Iraq facing them and at the possibility that a loan to Syria might be part of the price of Iraqi recognition. These fears were however largely removed by the announcement on 15 September that Kuwait and Syria were to exchange Ambassadors and that Syria was proposing to seek a loan from KFAED on its normal conditions. Iraq immediately raised the price of recognition, now demanding that the whole KD 30 million should be an interest free loan. But since the Kuwaiti delegation were less anxious to achieve agreement at all costs now, the matter was referred to the National Assembly, which eventually approved a direct loan of the full sum, though not without opposition. An Agreed Minute was finally signed on 4 October 1963 and arrangements for the loan concluded on 13 October 1963. This was the last major act of the short-lived Ba'ath régime in Iraq before the counter-revolution of 18 November 1963.

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31. Public reaction to the agreement and the loan in Kuwait was generally that Kuwait had been put in the undignified position of having to pay for something that other States had obtained free. The merchant community felt that the loan was no more than a short-term answer to Kuwait's stability, with no satisfactory long-term prospects, while the younger educated Kuwaitis asked what Kuwait had gained from the Iraqi recognition which she had not already possessed, and what was to stop the Iraqis from asking for more. Opposition in the National Assembly was based on the arguments that Kuwait's membership of the UN and the Arab League and the fact that over 80 nations recognised her independence meant that there was no need for such an expensive and potentially impermanent deal with Iraq. Iraqi reaction to the agreement was also generally one of opposition. Many Iraqis felt it was humiliating to have to bargain for financial assistance, and the majority of them were not really prepared to accept anything less than the eventual absorption of Kuwait by Iraq, although they recognised that it was necessary to choose the most suitable method of achieving this aim.

32. Discussions also commenced at this time concerning practical measures for improving relations between the two States. However, the
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Iraqi Government remained reluctant to consider demarcating the frontier and it was clear that this question like that of the eventual adherence of Kuwait to Iraq remained a sensitive political issue in Iraq. Nevertheless relations between the two States improved considerably on the practical level and by early 1964 agreement in principle had been reached again on the possibility of Kuwait drawing water from the Shatt al Arab.

33. It was clear, however, that although the Kuwaitis welcomed the re-establishment of cordial relations with "sister" Iraq, they were privately sceptical of the real motives of the Iraqi Government and remained suspicious of possible Iraqi moves against Kuwait's independence. In spite of these not unjustified fears, the Iraqi nationalisation measures announced in July 1964, which provided inter alia for the nationalisation of all banks, insurance and re-insurance houses and a large number of industrial and commercial firms, in all of which there was a sizeable Kuwaiti investment, took the Kuwaitis by surprise. The measures were regarded as a clear breach of undertakings made by various delegations, both Government and private, since October 1963 in an attempt to attract Kuwaiti investment, all of which were regarded in Kuwait as morally binding. The Iraqi Foreign Minister
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visited Kuwait the following month, ostensibly in return for an earlier visit to Iraq by a Kuwaiti delegation. However the composition of the delegation he headed was considered sufficient reason for the widely held view that the real purpose of the visit was to allay Kuwaiti misgivings and suspicions aroused by the nationalisation measures. It was equally widely held that if this were so his visit was a failure, in spite of the Minister's references to co-ordinated investment in mutually attractive schemes, while Kuwait's response to Iraqi army manoeuvres near the border in October 1964 were indicative of how seriously the Kuwaitis took Iraqi protestations of co-operation and friendliness.

34. An Iraqi economic delegation visited Kuwait towards the end of October and the visit resulted in the signature of the Economic Agreement of 25 October 1964 together with its Protocol, setting out agreed measures to encourage private investment by nationals of each State in the other, with safeguards for ensuring the security of such investments and conditions for expropriation and compensation. Under the terms of the Agreement all agricultural, animal and industrial products from each State would be exempt from customs and other dues in the other provided that the value of the local raw

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materials used in the finished commodity was not less than 25% of the total production cost. Natural wealth and industrial products were also covered, with the exception of certain items to be enumerated in separate schedules still to be worked out. The Agreement also provided for the free movement of capital between the two States, while transit trade would be facilitated by the abolition of transit dues, and each State would grant the other most-favoured-nation treatment for its products. This agreement was not however ratified until June 1966, and the question of its practical implementation has since been used, albeit inconclusively, by Kuwait as a means of provoking Iraq into positive action on the still unresolved question of frontier demarcation.

35. Towards the end of March 1965 the Amir of Kuwait visited Baghdad, when the main topic for discussion was the demarcation of the frontier. No real progress was made since the Iraqi Government were still insistent on acquiring control of Warbah and Bubiyan Islands, but, agreement was reached in principle on the establishment of a Joint Frontier Commission charged with demarcating the agreed frontier. There were further official contacts during the year resulting in protocols dealing with co-operation in the fields of culture and information media, but despite these outward signs of cordiality, /relations

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relations were not good, mainly because of Iraq's continued reluctance to demarcate the frontier and Kuwait's polite but firm insistence on progress on this matter as an essential precondition to any further co-operation. For this reason, as well as for the more cogent one that the Kuwaitis were reluctant to trust their water supply to Iraq, no progress was made either on the Shatt al Arab water scheme or on any of the possible quid pro quos. Towards the end of 1965 relations grew worse when the Iraqi Government commenced building a new customs post on the frontier at a point which the Kuwaitis regarded as indisputably Kuwaiti territory. Tension rose and threats were made on both sides, and although there were no serious repercussions and the issue subsided, the incident clearly demonstrated once more the Iraqi belief in the validity of their latent claim to sovereignty over Kuwait. Equally clear were the internal difficulties that would face any Iraqi Government which reached agreement on the frontier issue. This resulted in continued Iraqi prevarication and no progress was made. By the middle of 1966, when the Amir of Kuwait paid an official visit to Iraq, the proposed Joint Frontier Commission had still to meet for the first time.

36. From the Iraqi point of view the most important result of the Amir's visit was the ratification by Kuwait and the exchange of

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instruments by both sides, of the long dormant Economic Agreement signed in 1964. It was further agreed that the five permanent committees dealing with various aspects of the agreement would meet in Baghdad within two months and thereafter at least once a year in Baghdad and Kuwait alternately. From the Kuwaiti point of view the most important result of the visit was the Iraqi agreement to arranging the first meeting of the Joint Frontier Commission within two months. It was known that the Kuwaiti delegation had indicated that progress on the economic front was entirely dependent on some positive Iraqi gesture over the frontier. It seems likely, therefore, that in view of the identical time scales, the establishment of the committees and the Frontier Commission were linked, in Kuwaiti eyes at least. Despite the Iraqi promises, however, no progress was achieved on the Frontier Commission before President Arif's State Visit to Kuwait in December 1966. Although this was the first official visit of an Iraqi Head of State to Kuwait since the latter attained full independence, and indicative, as such, of Iraq's ostensible change of attitude, the talks showed once again the difficulty of pinning the Iraqis down on frontier demarcation, and the Kuwaiti Government once more pointed out to the Iraqis that the chances of economic and /financial

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financial assistance and co-operation outside the scope of KFAED were minimal and would remain minimal until progress was made on the frontier issue.

37. Between President Arif's State visit and an official visit paid to Kuwait by the Iraqi Prime Minister Tahir Yahya in January 1968, there was no noticeable progress made towards a settlement of the frontier between the two countries which would mark Iraq's final acknowledgement of Kuwait's independent sovereignty over a defined territory and which is a necessary precursor to any real and lasting improvement in relations between the two countries. Although the Joint Border Commission finally met in Baghdad in March 1967 and in Kuwait in October 1967, the first meeting got no further than an Iraqi demand for the cession of Warbah and Bubiyan, obviously unacceptable to Kuwait, while the second meeting did no more than endorse a suggestion presumably advanced by Iraq to gain time, that both sides should survey the border areas separately again. Tension arose during April when the Iraqis moved troops up to the frontier area, removed an unoccupied Kuwaiti immigration tent and infringed Kuwaiti airspace; but the matter was quickly settled. During the Arab-Israeli war of June 1967 and subsequently the Kuwaitis

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Government were anxious lest the Iraqis would take advantage of the general confusion in the Arab world to move against Kuwait. However Kuwaiti nervousness quickly disappeared as tension throughout the Middle East dropped and by December the Kuwaiti Foreign Minister was confident that the frontier question could be settled without difficulty.

38. During Tahir Yahya's visit agreement was reached in principle on Kuwaiti financing, through KFAED, for a paper making plant in Basrah and a power station in Samarra. Agreement was also reached in principle on the setting up of a joint committee to study the possibilities of establishing joint projects in the iron, steel, petrochemical, brick and sulphur industries. However, it was generally agreed that little significance need be attached to these agreements until further progress was made on the frontier problem. It was clear that frontier settlement was regarded in Kuwait as a necessary quid pro quo for any further financial assistance, or for any negotiations aimed at getting it. Despite protestations of good faith the Iraqi Government had by April still made no real positive steps towards settling the frontier question and other matters of mutual concern remained in abeyance.

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39. The Amir of Kuwait paid a brief official visit to Iraq on 15/16 June, but this appears to have been mainly of a courtesy nature, though some official discussion did take place.

40. Clearly, Her Majesty's Government's decision to withdraw their military capability from the Gulf by ^{the end of} 1971 will have its effect on Iraqi-Kuwait relations, since the Kuwaitis have generally considered the continued obligation to Her Majesty's Government to give military assistance to Kuwait as the main reason for the 1961 Exchange of Notes and a matter of paramount importance to Kuwait's continued existence. It was for this reason that Kuwait proposed the recent termination of the 1961 Exchange, although *image* she also hopes to gain kudos in the Arab World from this action. The initial reaction in Kuwait to the announcement of the impending military withdrawal was one of stunned disbelief, followed by pessimistic suggestions that this would mean that it was only a matter of time before Iraq annexed Kuwait. There has been no visible Iraqi reaction as yet, although the announcement has no doubt caused the Iraq Government to focus attention on Kuwait. But Kuwait's support for the Arab cause, her large financial assistance to other Arab states, notably the UAR, and her separate membership of such bodies as the Arab League and the UN mean /that

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that an Iraqi attempt at forcible annexation is unlikely unless conditions in Kuwait are such that military action could be justified to the Arab World. In addition, as long as there remains a British defence commitment to Kuwait, this also is likely to inhibit direct Iraqi action against Kuwait.

41. The change in Iraqi régime of July 1968 does not appear to have affected relations between the two states, although the Kuwaitis seem determined to be optimistic about it. There is, perhaps, some justification for Kuwait's relatively relaxed attitude towards the new Iraqi régime, since it is, from Kuwait's point of view, an improvement on its predecessor, and probably on any Iraqi régime since 1958. However, Kuwait clearly has doubts about its staying power and it would be premature to suggest that a new era in Kuwait-Iraq relations had dawned.

V. Conclusions

42. Although Kuwait's relations with Iraq are better than they have been ever before it would be rash to assume that the improvement is anything but temporary while Kuwait's frontier requirements remain unfulfilled, particularly in the light of the impending British withdrawal. It should be remembered that most older Kuwaitis profoundly distrust Iraq and Iraqi motives and

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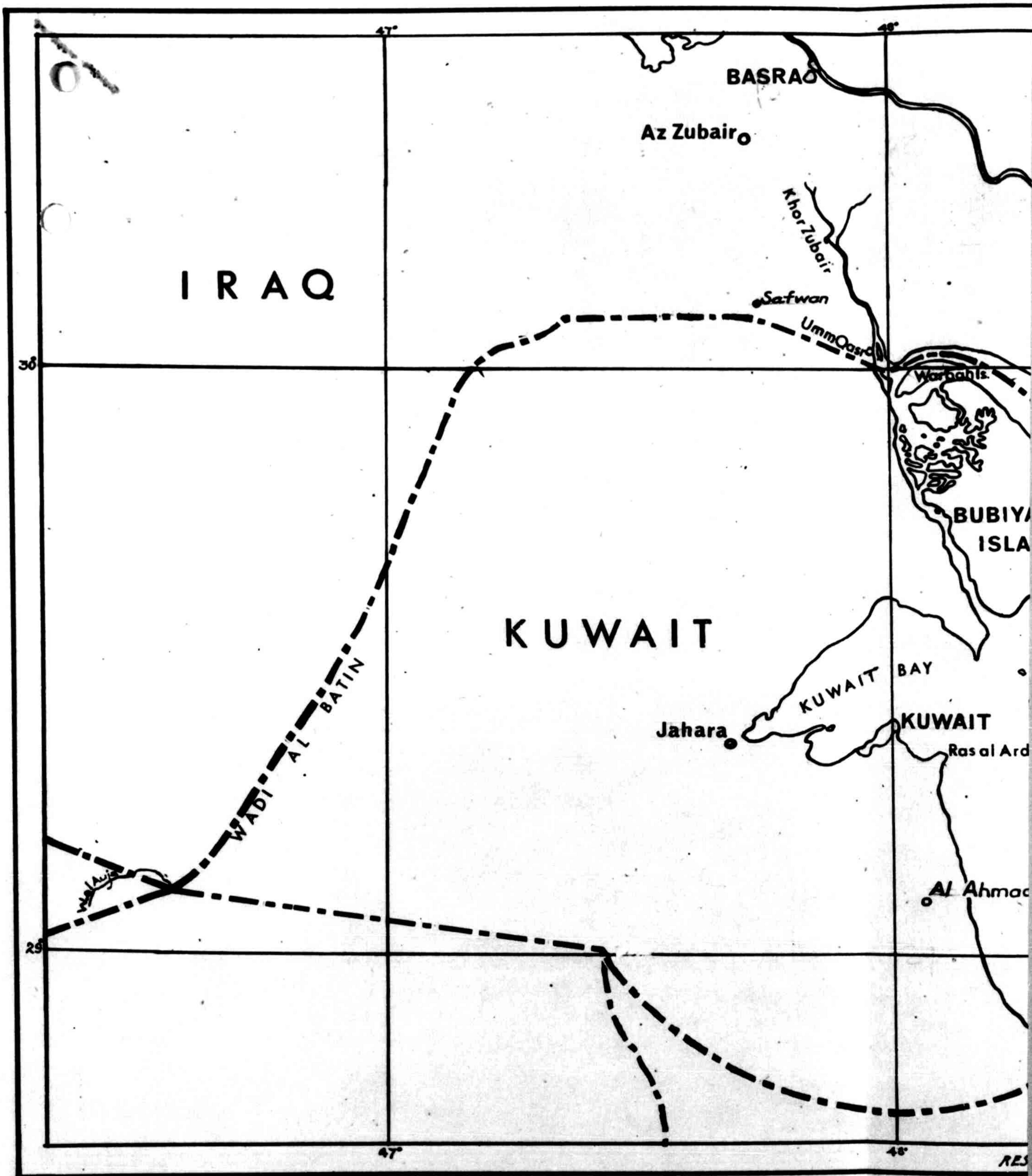
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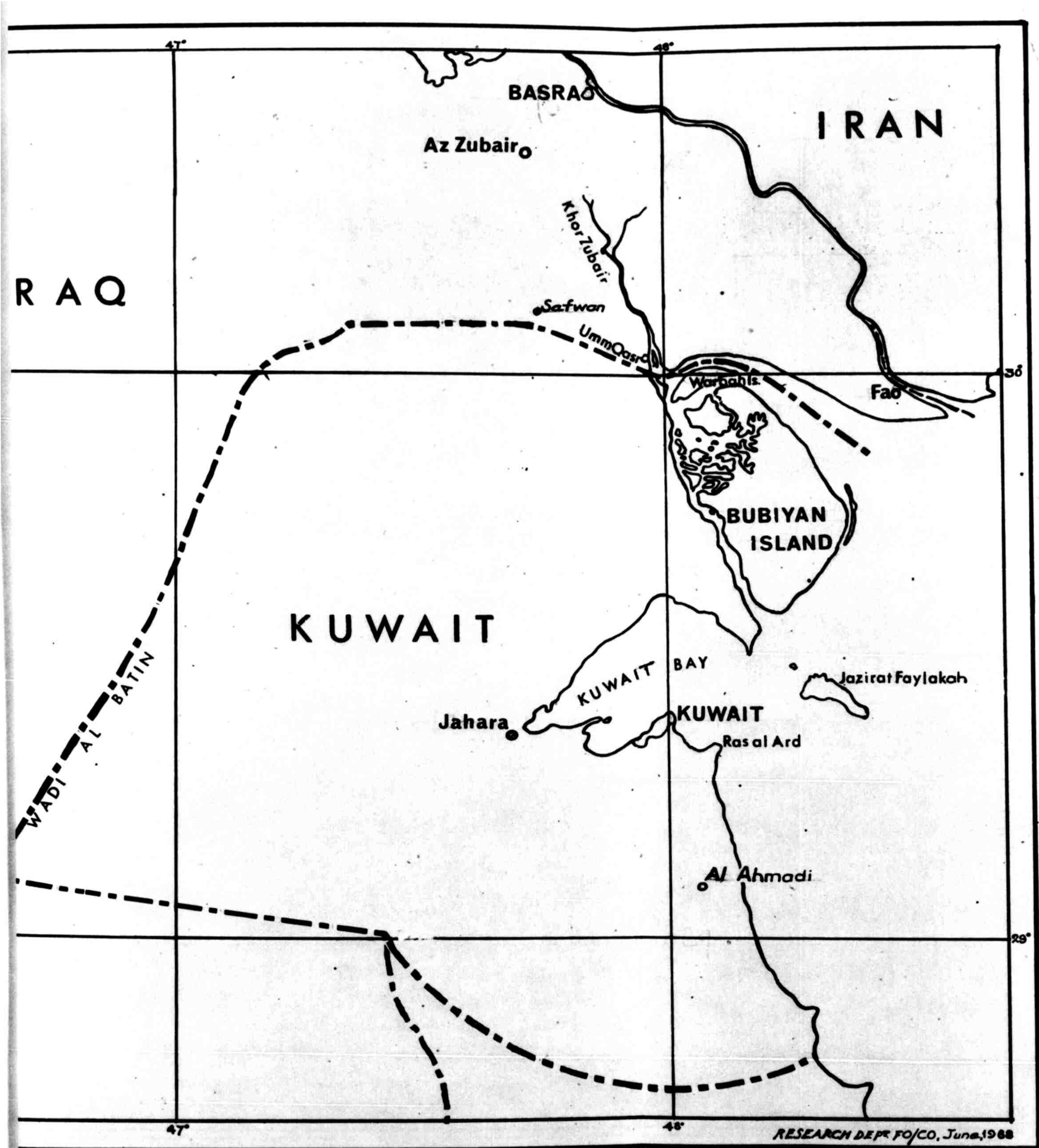
that in addition to their concern about Iraq's past claims to Kuwait territory, concern about Soviet influence in Iraq has been growing. It is also worth noting that there has been little in the Iraqi attitude towards Kuwait since the 1961 Exchange of Letters which would encourage a modification of this distrust. Iraq is likely to continue to cherish her ambitions against Kuwait and as long as this situation lasts, Iraq will continue to present a serious potential threat to Kuwait. It is unlikely that the Iraqi threat will become active in the next few years, but in the light of this background it will be difficult for the Kuwait Government to remain optimistic about the prospects for a genuine and lasting improvement in their relations with Iraq - at least, not for some time to come.

Middle East Section,
Research Department.
October, 1968.

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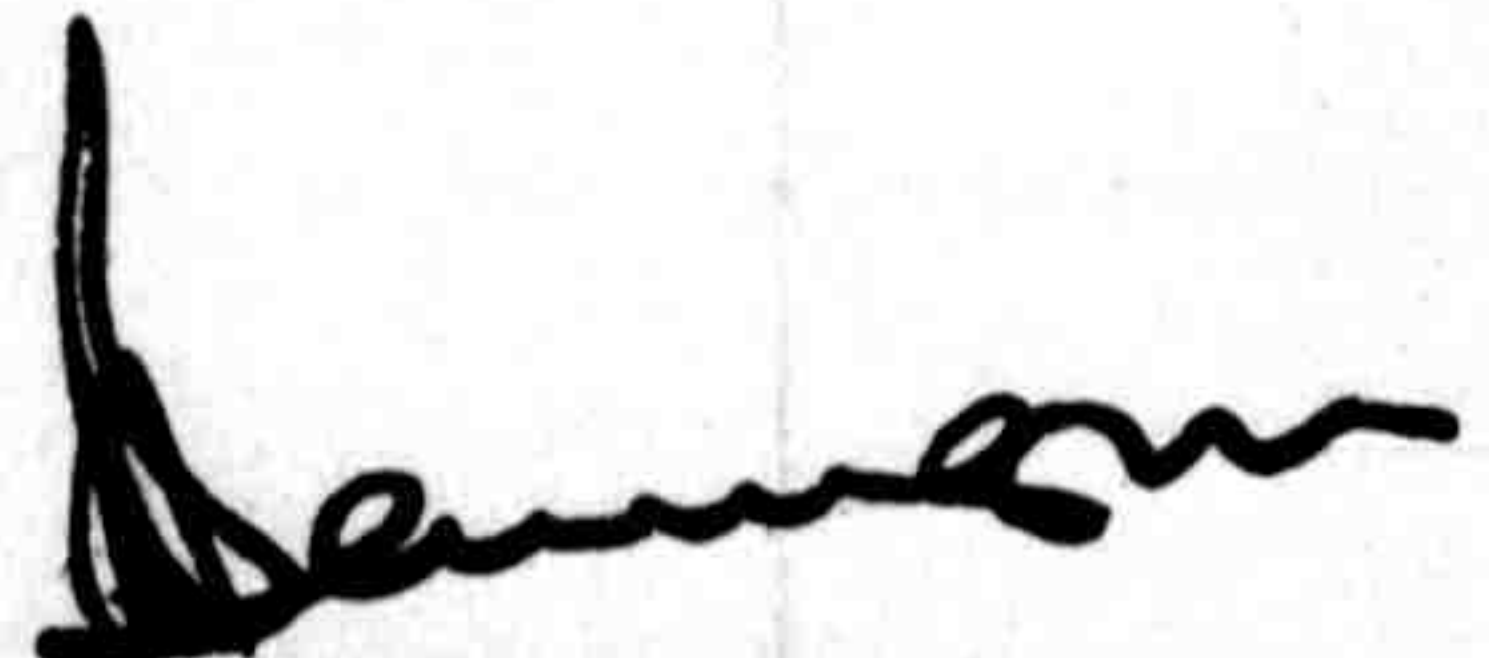


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Reference.....

Mr. Montgomery,
Eastern Department.

I attach a copy of a draft Research Department ~~Mem~~ Memorandum entitled "Kuwait-Iraq Relations" for your comments, if any, and return. 2. A copy has also gone to Arabian Department for comment



J.P. Bannerman
Research Dept (M.E.)

1 July 1968

MR Evans

MR Bannerman (J.R.D)

Incorporated

This paper is rather long but it is hard to see where it usefully be pruned. I have pencilled in a number of suggested amendments.

Montgomery
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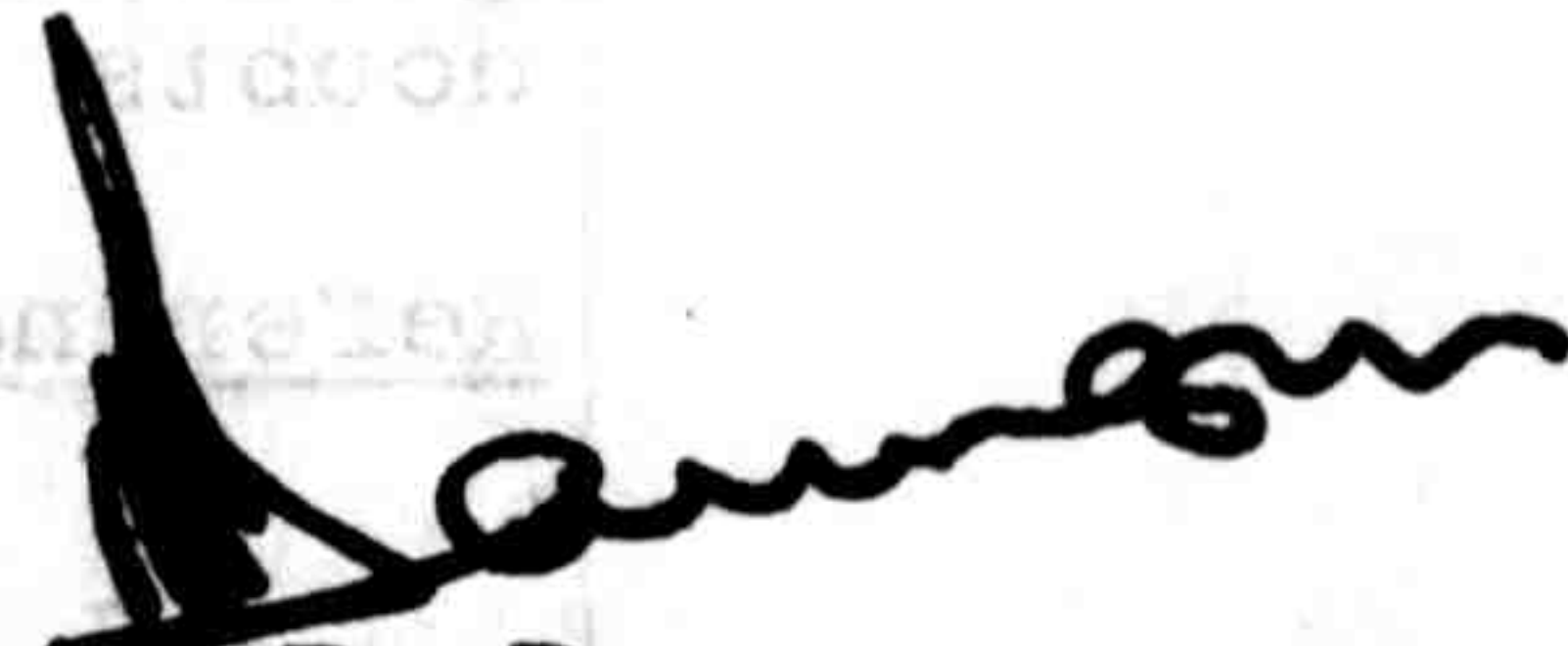
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Reference.....

Mr. Ibbott *Mimi*
Arabian Deartment

I attach a copy of a draft Research Department Memorandum entitled "Kuwait-Iraq Relations" for your comments, if any, and return.

2. A copy has also gone to Eastern Department for comment


J.P. Bannerman
Research Dept (M.E.)

1 July 1968

Mr. Stirling

Mr. Bannerman, Research Department (ME)

Must apologise for the delay in dealing with this draft paper
Paragraph 4

✓
To the list of payments of one kind or another made by Kuwait to other Arab countries should perhaps be added annual contributions to the UAR and Jordan since the June war.

Paragraph 39

✓
The assessment of the change in the Iraqi threat in the light of our decision to withdraw from the Gulf (fourth and fifth sentences) needs some amplification, perhaps adding at the end of the paragraph words to the effect that for as long as there is a British defence commitment to Kuwait this is also likely to inhibit direct Iraqi action against Kuwait.

Paragraphs 39 and 40

✓
Some reference should be made to the change of regime in Iraq in July. The Kuwaiti authorities seem determined to be optimistic /about it

✓ about it (the new President was leader of the delegation to Kuwait in 1963 which confirmed Iraqi recognition in return for a Kuwait loan to Iraq to KD 30 million). The Kuwaitis are therefore relatively relaxed about the new government, which from their point of view is no doubt an improvement on the old and probably on any Iraqi government since 1958; but they clearly have doubts whether it can last for long.

Reference Map

✓ I would suggest some additions to the reference map. These might include the junction of Wadi al Auja and the Batin, Fao and the Shatt al Arab. Some adjustment is necessary to the boundary between Warba and the Iraqi mainland; it runs down the centre of the channel between the two.

Bosch
A. Ibbott
22 October, 1968.

✓ I agree. The only other change I would suggest is the addition of inverted commas to 'progressive' in para. 4, line 4.

W. H. H. H.
24.10

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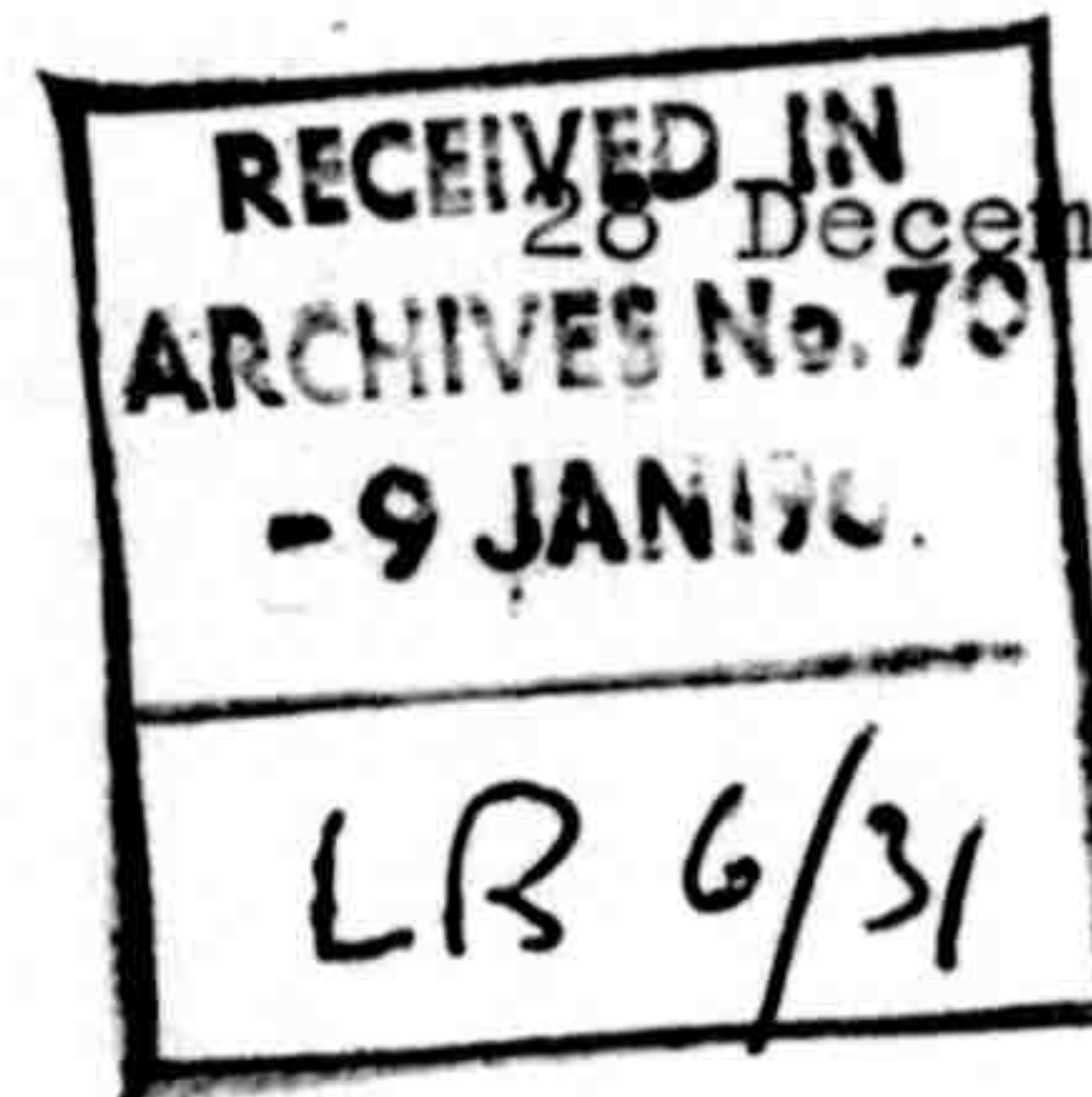
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BRITISH EMBASSY,

BAGHDAD.

1/2 - 1/2 of 8/11
Reg. stry
17. E Sol. in
P. 11

(3/13)



28 December, 1968.

My dear Ford,

Thank you for your letter (LR6/31) of 7 November enclosing Research Department's draft paper on "Kuwait-Iraqi Relations."

2. I read the paper with much interest but have no comment of substance. The following points, some of them merely drafting points occur to us:

- ✓ (i) Paragraph 2. It might be useful to know a little more about the 1932 negotiations when the Iraq-Kuwait frontier was "agreed" (paragraph 2) or "defined" (paragraph 5) but not demarcated. Presumably what happened is that the frontier was marked on a map but not on the ground.
- ✓ (ii) Paragraph 2. "The separate existence of Kuwait means that Umm Qasr suffers from the same political disadvantages as Basra." The significance of this is presumably that the unrestricted use of Umm Qasr is dependent on cordial relations between Iraq and Kuwait as unrestricted use of Basra is dependent on cordial relations between Iraq and Iran. But surely Kuwait is not, and never can be, a threat to Iraq in the way that Iran is?
- ✓ (iii) Paragraph 9. The union (Arab union) was in no way a natural development." Throughout history the dominant powers in the Euphrates-Tigris basin and the Nile basin have sought to dominate Syria (including of course Jordan) and improved communications particularly during the present century have made this all the more inevitable.
- ✓ (iv) Paragraph 10. "Kuwait would lose economically (from the union) since her wealth would be used to prop up Jordan." It is perhaps ironical that this is just what is happening now.
- ✓ (v) Paragraph 39. It might be helpful if it were made clear that the Emir of Kuwait's visit took place in 1968.
- ✓ (vi) Paragraph 40. It might similarly be useful for the dates of the termination of the 1961 Exchange of Letters and of the announcement of the impending withdrawal of British forces to be specified.

J. F. Ford, Esq., C.M.G., O.B.E.,
Research Department,
F.C.O.

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(vii) Paragraph 41. There is perhaps some contradiction. At the beginning of the paragraph it is stated that the change in the Iraqi regime of July 1968 did not appear to have affected relations between the two States: later on there is reference to Kuwait's view that the new regime was an improvement on its predecessor. It was, of course, the Ba'ath Government of 1963 that recognised the independence of Kuwait and it was to this Government that the Kuwaiti Government made a 30 million dinar loan. It was therefore not surprising that the Kuwaiti authorities should have looked rather hopefully at the new set-up. Perhaps this should be brought out? In any case, General Takriti, the new Iraqi Deputy Prime Minister and Minister for Defence appears to have made a favourable impression on the Kuwaitis when he visited them in November.

(viii) Paragraph 42. We agree in general with the conclusions. But on the main issue it is perhaps difficult to imagine the Iraqis ignoring the reaction of the Arab world and indeed of the U.N. to a take-over of Kuwait by Iraq. Nevertheless it is right not to dismiss the Iraqi threat as something of the past. The present Iraqi regime is unlikely to take the initiative in putting more trouble on its plate in the form of an Iraq/Kuwait crisis, but between now and 1971 there may well be other Iraqi regimes. It may not suit their policy to take over Kuwait but they might find it suited them to twist the Kuwaiti tail from time to time. More general Iraqi/Kuwaiti relations after our withdrawal are likely to be conditioned by the chances of survival of the present Emirates without our protection.

3. I am sending a copy of this letter to Graham in Kuwait.


(T. E. Evans)

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(4)

Rev. Ford 1/12/69
Reg. 66.

N. C. Sec. in B. S. 1

RECEIVED IN
ARCHIVES No. 70
14 JAN 1969

LR 6/31

BRITISH EMBASSY,
KUWAIT.

8 January, 1969.

(3/3)

Dear Ford,

Kuwait/Iraq Relations (2)

Thank you for your letter LR 6/31 of 7 November to Geoffrey Arthur (who as you probably know is now back in the Office) enclosing a draft paper on "Kuwait-Iraq Relations."

2. I think the paper as a whole is very good and have only a few comments.

- ✓ a) Paragraph 1. The grounds for the Iraqi claim to Kuwait are summarised accurately enough, but I suggest that somewhere, even if not here, the weaknesses of the Iraqi case should also be pointed out (that Turkish sovereignty was at best nominal at the turn of the century, that Kuwait's independence was recognised by Turkey in 1913 and that in any case the claim as successor government must be invalid since the administrative arrangements of a colonial ruler cannot be taken as deciding issues of sovereignty as between regions).
- ✓ b) Paragraph 4. The Kuwaiti oil deposits are surely the main motive for the Iraqis' pressing their claim since the mid-fifties (as of our interest, as opposed to obligation, in rejecting it, I suppose). I suggest the paragraph be put in earlier, perhaps before paragraph 2. Again, the statement that it is "not unlikely" that Kuwaiti wealth has contributed to Iraq's persistence in her claim is surely an understatement.
- ✓ c) Paragraph 7. I do not believe that there is nowadays much transit trade via Kuwait to and from the Mediterranean. Kuwait imports a lot from the Levant by road, but her total of re-exports is so small that it is clear that most of this trade is for consumption in Kuwait. Kuwaiti objections in my view are mainly nationalist but also strategic: they fear that once the Iraqis were installed on Warba or Bubiyan they would seek to dominate Kuwait militarily.

/d)

J.F. Ford, Esq.,
Research Department,
Foreign and Commonwealth Office.

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- 2 -

- d) Paragraph 9. The last sentence might be put in brackets.
- ✓ e) Paragraph 12. The special relationship between Kuwait and H.M.G. dates from 1899: the phrase "towards the end of the 19th century" is perhaps misleading.
- ✓ f) There is an assumption, which I find hard to believe, that the Kuwait Government in the late 1950's were leaning towards Nasserism and "the Nasserist type of nationalism" (See paragraph 13 (e) of the Iraqi standpoint and (a) of the Kuwaiti for instance). I suggest that Kuwaiti official attitudes to extremist Arab thinking were probably pretty much then as they are now: that Nasserism or any other form of "socialism" is an evil, but that Kuwait cannot afford to fight it openly. In all probability the Kuwait Government had no "affinity" for "nationalism" but thought it unwise to try to stifle such ideas in Kuwait.
- ✓ g) Paragraph 28. As this is the first mention of it, the Kuwait Fund for Arab Economic Development (K.F.A.E.D.) should be written in full.
- ✓ h) Paragraph 40. Kuwait did not exactly propose the termination of the 1961 Exchange of Notes last May - and the reason ascribed, that Kuwaitis regarded the agreement as of paramount importance to Kuwait's existence, was why they did not - it was we who made it clear that the Exchange would have to go. The Kuwaitis then proposed, for presentational reasons, that it should be announced that the termination was at their request.
- ✓ At the end of the paragraph, the weakness of the present Iraqi régime and its preoccupation with the Kurds might be mentioned as additional reasons why Iraq would not take direct action against Kuwait.
- ✓ i) The visit of General Takriti and Mr. al Shaikhly to Kuwait from 4 to 6 November should be mentioned, perhaps in paragraph 39. It appears not to have led to anything.

3. On the economic front, the Kuwaitis and Iraqis earlier this year discussed the joint exploitation of Iraqi sulphur deposits (my letter 6/21 of 24 March, 1968, to Ibbott). There has recently been talk of three more projects, the supply of Kuwaiti natural gas and electric power to Iraqi industry and the extension of the Russian-built railway from Umm Qasr to Kuwait and perhaps

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- 3 -

✓ on to Saudi Arabia. The first two would be welcomed by Kuwaitis as giving them a hostage to compensate for the hold Iraq would acquire if the project for the supply of water from the Shatt were ever realised (see paragraph 6 of Kuwait despatch 3/3 of 15 January, 1968). The third is regarded as a purely commercial matter, with no strategic overtones, since the Kuwaitis calculate that they could easily destroy the link in time of war. This view is shared by us (Ibbott's letter NBK 21/2 of 7 November).

Yours sincerely
J.A.N. Graham

(J.A.N. Graham)

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THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

(LR 6/31)

(6 February, 1969)

(23783)

LAST PAPER

RESEARCH DEPARTMENT MEMORANDUM

KUWAIT-IRAQ RELATIONS

SUMMARY

A. Relations between Kuwait and Iraq have been generally poor during most of Kuwait's existence. The primary cause has been Iraq's claim to sovereignty over Kuwait. This claim, though based in public on politico-legal arguments, stems fundamentally from economic and strategic grounds. (Paragraphs 1-4.)

B. Prior to the Iraqi revolution of 1958 relations between the two countries were marred by Iraqi intransigence on the question of frontier demarcation and by Kuwait's resultant refusal to co-operate in settling various Iraqi complaints and requests until progress was made on the frontier question. (Paragraphs 5-8.) Iraqi pressure on Kuwait to join the short-lived "Arab Union" between Iraq and Jordan early in 1958 was unsuccessful, although the Ruler of Kuwait agreed to commence negotiations on a number of points of mutual interest. This offer was considered inadequate by the Iraq Government but, before further progress had been made, the Iraqi revolution of July 1958 put an end to discussion. (Paragraphs 9-13.)

C. Initially, relations between Kuwait and the new Iraqi régime were good and progress on matters of substance seemed possible, but by early 1959 the position had deteriorated. However, the two countries continued to exist without undue friction until 1961, when the Anglo-Kuwaiti Exchange of Notes led to a formal declaration by the Iraqi Premier that Kuwait was an integral part of Iraq. Although there is some doubt whether the Iraq Government intended to follow up bellicose words with action, the Kuwait Government took the threats sufficiently seriously to ask for British military assistance under the terms of the Exchange of Notes. Qasim maintained his formal position until his death in 1963, although unofficial contacts between the two Governments were maintained. (Paragraphs 14-22.)

D. Although unofficial contacts between the two countries quickly returned to the pre-1961 position after the Iraqi revolution of 1963, official contacts were not resumed until late March, when a Kuwaiti delegation visited Baghdad. Thereafter negotiations commenced which culminated in the agreement of October 1963 under which Iraq recognised Kuwait's independence and sovereignty within the frontiers agreed in 1932 in exchange for an interest-free loan of KD30 million. However, opposition to the agreement was voiced both in Iraq and in Kuwait. (Paragraphs 23-31.)

E. Thereafter, relations improved on a practical level, although Iraq remained reluctant to demarcate the frontier and Kuwait remained suspicious of Iraqi motives. (Paragraphs 32-39.)

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F. Her Majesty's Government's decision to withdraw militarily from the Gulf by 1971 will affect Kuwait-Iraq relations although Iraq is unlikely to attempt forcible annexation unless it can justify such action to the Arab world. The change in Iraqi régime in July 1968 does not seem to have affected relations although the Kuwaitis are determined to be optimistic about it. (Paragraphs 40-41.)

G. Although relations between the two countries are better than ever before it would be rash to assume that Iraq has given up her ambitions or that there is any real hope of a genuine and lasting improvement in relations. (Paragraph 42.)

I. Introduction

During most of Kuwait's life as an independent or semi-independent State her relations with Iraq have been strained. The primary cause for this has been the Iraqi claim to sovereignty over Kuwaiti territory on the ostensible grounds that Kuwait formed part of the Ottoman Vilayat of Basrah before the First World War, and that Iraq, as successor to the Ottoman Government in the area, assumed sovereignty over Kuwait. This argument ignores *inter alia*: the fact that Kuwait had been under Turkish suzerainty rather than sovereignty; the fact that Turkish control was at best nominal; the (unratified) Anglo-Turkish Convention of 1913 which recognised the autonomy of Kuwait within the Ottoman Empire; the arrangements made after 1918 for the disposal of the territories of the Ottoman Empire and for the creation of the Anglo-Iraqi relationship under League of Nations supervision; and Nuri al Said's letter of 1932 agreeing to the frontier "between the two countries". Subsidiary arguments adduced from time to time in support of the Iraqi claim, whether it was made in its most extreme form of a claim to the whole of Kuwait, as in 1961, or in the more moderate form of a demand for a modification of the frontier agreed in 1932, as in 1968, have been Kuwait's importance to Iraq in matters of public security, trade and prevention of smuggling. Until 1963, when the Iraq Government for the first time publicly and formally acknowledged Kuwait's sovereignty and independence, successive Iraq Governments had cherished long-term ambitions to annex Kuwait. On the Kuwaiti side, the main complaints had been the persistent Iraqi refusal to recognise or demarcate the frontier agreed in 1932, and the Iraqi refusal to accept the position of the Al Sabah in regard to certain family properties in Iraq.

2. In recent years, Kuwait's attractiveness in Iraqi eyes has been enhanced considerably by the discovery and exploitation of enormous oil deposits. In common with most other "progressive" Arab States, Iraq has, since the revolution of 1958, regarded the high *per capita* income of Kuwait as a scandalous waste of resources which could be better employed in the more needy countries—like Iraq—and it is clear that this potential has contributed to Iraq's persistence in her claim to Kuwait. It should be noted that the Iraqi assessment of Kuwait's wealth and her use of it does not take into account the sizeable investment by Kuwait in the Arab world by direct loans and grants, including, since the June 1967 war, annual grants to the UAR and Jordan totalling KD48.17 million; generous loans through the KFAED; and Kuwait's indirect contribution to the economy of the Arab States through expatriate employee's remittances.

3. A consideration of the facts indicates that although the politico-legal arguments summarised above are those publicly affirmed by successive Iraqi Governments in support of their claim to control over a greater or lesser part of Kuwait, the fundamental reason for the claim was economic, with some strategic overtones. The existence of an independent Kuwait within the frontiers agreed in 1932 constitutes a major obstacle to Iraqi access to adequate deep-sea port facilities and to adequate control over the approaches to these ports. Both Basrah and Fao are of restricted value, and can be maintained as deep water

ports only by constant dredging of the approach channels, while unrestricted use of Basrah is also dependent on cordial relations between Iraq and Iran—a sometimes difficult or impossible state of affairs in Iraqi eyes. Umm Qasr has always been regarded as the only viable alternative port. However, because of its position close to the border, it would not be possible to develop the port area in the most rational manner, while the separate existence of Kuwait means that Iraq's control over the approaches to the port can never be complete. Rightly or wrongly, therefore, Iraqis have tended to regard the acquisition of sufficient Kuwaiti territory to allow the development of Umm Qasr and to secure Iraqi control over the approaches thereto as a minimum economic requirement. In addition there was the attraction of the enormous oil revenues accruing to Kuwait which were undoubtedly the object of Iraqi covetousness.

4. It should be borne in mind that although Her Majesty's Government have tended to regard Kuwait as a northern extension of the Gulf trade route, it lies, in Iraqi eyes and in fact, on an ancient trade route leading from the Mediterranean to Basrah and on to the Gulf and beyond. Within this context it should be noted that Kuwait's emergence as an important and prosperous trading centre owed much not only to intrinsic Kuwaiti characteristics but also to the fact that as a result of the siege and capture of Basrah by the Persians in 1776 the bulk of the Indian trade with Baghdad and the Levant was transferred from Basrah to Kuwait, and that following the recapture of Basrah by the Ottomans a sizeable proportion of this trade remained in Kuwait where conditions were more favourable. In other words, Kuwait's prosperity as a trading centre was established at Iraq's expense. It is perhaps equally significant that Iraqi complaints of smuggling from Kuwait stem not only from the continued existence of more favourable trading conditions in Kuwait, but also from the Kuwaitis' natural dislike of losing lucrative trade.

II. Relations prior to the 1958 revolution

5. Relations between Iraq and Kuwait before the Iraqi revolution of 1958 were generally strained. In addition to Iraq's designs on Kuwait, causes of friction were Iraqi intransigence in the face of repeated Kuwaiti requests for demarcation of the frontier, smuggling from Kuwait into Iraq which the Ruler of Kuwait refused to do anything to stop, frontier violations both real and alleged by both sides, and Kuwaiti claims in respect of certain properties in Iraq and Umm Qasr. However, the Kuwaitis were not disposed to be co-operative over the Iraqi complaints concerning smuggling or over Iraqi attempts to secure the approaches to Umm Qasr in view of the Iraqi attitude over the frontier, and little was done of even a procedural nature to improve matters. The frontier problem arose as a result of an exchange of letters in 1932 between the Prime Minister of Iraq, Nuri al Said, and the Ruler of Kuwait. In connection with Iraq's proposed membership of the League of Nations, the High Commissioner for Iraq suggested that Nuri al Said write formally confirming the frontier between the two countries. In a letter dated 21 July, 1932, Nuri al Said quoted a description of the frontier and asked for the agreement of the "competent authority or authorities in Kuwait" to the description of "the existing frontier between the two countries". The Ruler of Kuwait agreed to this frontier in a letter dated 10 August, 1932. Her Majesty's Government tried from time to time to define it with greater precision, but since the Iraq Government never formally accepted these definitions, their legal validity was doubtful, in spite of the British view that they were valid since they did no more than define in precise terms a generalised description. The position was further complicated by the fact that successive Iraq Governments refused to accept publicly the 1932 frontier description.

6. In 1956 in response to a suggestion that the frontier be demarcated, the Iraq Government asked for a modification of the frontier which would give them sovereignty over Warbah Island and over a strip of territory in the Umm Qasr

area, thus giving improved access to the Persian Gulf. The declared purpose in asking for this modification was to enable Iraq to further develop Umm Qasr as a port on the grounds that facilities at Basrah and Fao would eventually prove insufficient for Iraq's needs. It has been argued, however, that Iraq's motives were as much strategic as commercial, while the Kuwaitis regarded the proposal with intense suspicion as indicative of an underlying Iraqi intention to annex Kuwait. It became clear that cession of sovereignty would be completely unacceptable to Kuwait, although Iraq was prepared to accept conditions which at first sight appeared to be generous. Consideration was therefore given to the possibility of Kuwait leasing to Iraq the territory the latter required for the development of Umm Qasr, and, for a period, it was hoped that it might be possible to link this project with another proposal under which Iraq would lease to Kuwait territory as required to permit the latter to draw water supplies by pipeline from the Shatt al Arab.

7. In addition to an understandable reluctance to place the supply of an essential such as water in the hands of a foreign State whose past actions towards Kuwait had been suspicious to say the least, and whose future policy was unpredictable, there was considerable opposition from the Kuwaiti merchant community led by Shaikh Fahad, one of the most powerful members of the Al Sabah oligarchy. This community was ostensibly moved by fears that the development of Umm Qasr as a port might conceivably result in depriving Kuwait of a share in the transit trade to the Mediterranean. Early in 1956, therefore, the Ruler, apparently acting on the advice of the Al Sabah Family Council, said that he no longer wished to link the two proposals, and the Umm Qasr project was shelved. The merchants' ostensible fears were clearly unjustified since by this time there was little transit trade to and from the Mediterranean via Kuwait. It is likely, therefore, that these merely served to mask the Kuwaitis' basic fear that Iraq might seek to dominate Kuwait militarily or politically once a foothold on Kuwaiti territory had been gained. It is also probable that the decision was influenced by the Kuwait Government's belief that any steps to link Kuwait more closely with Iraq would offend Egypt, with whom Kuwait already had close ties, who was already the most powerful voice in pan-Arab affairs and not one to offend lightly, particularly in Kuwait where admiration for Nasser and his brand of Arab Nationalism was increasing.

8. At the time the Iraqis were considering the possibility of stringing an oil pipeline to Mina al Ahmadi to allow for increased exports by the Basrah Petroleum Company. Attempts were therefore made to link this project with the water pipeline project, but without success, since the Kuwaitis insisted on frontier demarcation as an essential prerequisite for either project and this the Iraqis refused to consider. Further attempts to settle outstanding points of difference during 1957 also failed for the same reason, and no progress was made before the revolution. The Iraqis maintained their refusal to recognise or demarcate the frontier unless Kuwait would cede the territory needed for the development of Umm Qasr, while the Kuwaitis refused to cede any territory and insisted on frontier demarcation as a prerequisite to any consideration of other outstanding matters.

9. The situation was further complicated at the beginning of 1958 by the hasty creation of the "Arab Union" between Iraq and Jordan. The Union was the immediate response of the traditional Hashemite monarchies to the announcement of the formation of the United Arab Republic between Egypt and Syria. Before the actual announcement of the Union, Iraq had put considerable pressure on Kuwait to join the projected confederation. Iraq's principal motive in urging this step was to make Kuwait's potential wealth available to help finance the Union, it being patently obvious that Jordan would be a liability. The Iraqis were also worried about Egyptian influence in Kuwait

and about the way Egyptian propaganda appeared to permeate all aspects of life in Kuwait, not only because of Egyptian influence in the educational system but also because of the unrestricted import of Egyptian periodicals and papers and the Egyptian influence on the State broadcasting system. Since Iraq was one of Egypt's main targets as an out-of-date monarchic régime, a strong anti-Iraqi feeling was generated through all these channels. Although this feeling was not shared by the Ruling Family, the Iraq Government considered that Kuwait was fundamentally unstable, and that the combination of wild extravagance by the Ruling Family and social revolutionary propaganda imported from Egypt would upset the régime and thus pose a threat to Iraqi stability. (It is of interest to note that the Ruler of Kuwait considered shortly before the revolution in 1958 that the Iraqi régime was insecure because it lacked popular support.)

10. The Kuwaitis, however, were suspicious of Iraqi policy, because of past history, while the Ruler saw no need to stand with his fellow monarchs against the threat of the UAR. Equally, he saw no political or economic advantage to Kuwait in joining the Union. Indeed it seemed clear that Kuwait would lose economically, since her wealth would be used to help prop up Jordan, and politically, since closer liaison with the Union, and hence with Iraq, seemed bound to lead to a diminution of Kuwait's national integrity, and perhaps to her eventual absorption by her larger neighbour. In addition, public opinion in Kuwait was largely indifferent or hostile to the Arab Union and strongly in favour of the UAR. Nevertheless, the Ruler agreed to visit Iraq in May to discuss outstanding matters, among which Kuwait's adherence to the Union was expected to loom largest. At this time Her Majesty's Government were trying to persuade the Iraq Government that it was essential, if there was to be any hope of progress at all, to convince the Ruler of Kuwait that the Iraqi Government formally recognised the frontier and were prepared to demarcate it, and that this was merely the first step towards Iraqi recognition of Kuwait's independent sovereign status. At the same time Her Majesty's Government were also trying to convince the Ruler of Kuwait that there were real advantages in Kuwait adhering to the Union. The Ruler, however, was suspicious of the Iraqis and not entirely convinced that Her Majesty's Government's advice was as disinterested as it professed to be.

11. The visit took place as planned, but the Ruler reacted unfavourably to increased Iraqi pressure and refused to commit himself to more than a consideration of the implications of joining the Union. He later took the firmer line that he was not prepared to join the Union although he would consider the possibility of some closer tie with Iraq. He also agreed to consider negotiations on the following points:

- (a) Reaffirmation of the land frontier and agreement on the method of demarcation.
- (b) Commercial matters.
- (c) Kuwaiti investment in suitable projects and industries in Jordan and Iraq.
- (d) Exchange of security information, particularly concerning subversive activities.
- (e) Extradition.

12. This was not enough for the Iraqis, however, particularly for Nuri al Said, who had adopted throughout an uncompromising attitude, and a document was finally passed to Her Majesty's Government purporting to represent the views of the Arab Union. It was clear, however, that the document represented Nuri's most extreme opinions and that Union officials did not accept its findings in entirety. It was, however, an important document in that it codified Iraqi views on the subject of Kuwait. In this memorandum Nuri pointed out that before the First World War Kuwait was an integral part of the Ottoman Empire and

formed part of the Vilayat of Basrah, that this position was not affected by the 1913 Anglo-Turkish Convention or by the special relationship which existed between Her Majesty's Government and the Shaikh of Kuwait since 1899, and that Kuwait's position as a part of Iraq, which was the successor state to the Ottoman Empire after the war, was not affected by the fact that Iraq had had to acquiesce in any unilateral arrangements made by Her Majesty's Government for the administration of the area. He emphasised that Kuwait's present importance to Iraq lay in the lack of effort on the part of the Kuwaiti authorities to put an end to smuggling from Kuwait, in Kuwait's lack of interest in maintaining an adequate measure of public security thus constituting a direct threat to Iraq, in Kuwait's refusal to allow Iraq free access to the waters of the Persian Gulf and the consequent grave effects on Iraq's economy and in the fact that Kuwait had become a centre for propaganda hostile to Iraq, emanating from Egypt and more recently the UAR. Finally, he proposed that either Kuwait adhered to the Arab Union or the Iraq Government would be compelled to prosecute their claims to a frontier with Kuwait which ran from the junction of Wadi al Auja and the Batin in a straight line eastwards to Jahara (see map).

13. During the course of discussions on the Union, it became clear that Iraqi motives in pressing for Kuwait's adherence to the Union, apart from any desire to annex Kuwait outright, were:

- (a) The need for a sop for Iraqi public opinion which would show some advantage to Iraq from joining the Arab Union.
- (b) The need to offset the accession of the Yemen to the UAR.
- (c) The need for Kuwait's wealth to assist in maintaining Jordan, so that Iraq was not involved in an over-heavy financial burden.
- (d) The desire to exercise some control over the enthusiasm of some Kuwaitis and of the expatriate Arabs in Kuwait for the Nasserist type of Nationalism which Iraq considered hostile to the Iraqi régime.

The Kuwaiti position was compounded of the following:

- (a) Although the Kuwait Government regarded Nasser's ideology and indeed any form of revolutionary Socialism as evil, it was deemed impolitic either to express the view publicly or to attempt to stifle such ideas in Kuwait.
- (b) Kuwait did not agree that her fate was bound up with that of Iraq.
- (c) The Ruler of Kuwait considered that, in view of the widespread enthusiasm in Kuwait for the UAR and for Nasser, any attempt on his part to accede to the Arab Union against popular wishes constituted a real and immediate threat to his own position.
- (d) There seemed, in any case, no real advantage, either political or economic, to Kuwait from accession to the Union.

It should be noted that Kuwait remained suspicious of Iraqi motives. That these suspicions were not unjustified was reflected in the fact that the Iraqi leaders had indicated privately that Kuwait had the choice of accession to the Union or cession of territory to Iraq, and that in the unlikely event of Kuwait adhering to the UAR or of a revolutionary situation arising in Kuwait, Iraq would not stand idly by. However, before matters had gone any further, the Iraqi revolution broke out in July 1958 and the question of Kuwait's possible adherence to the Arab Union became an academic one.

III. The Qasim régime, 1958-63

14. During the months immediately following the Iraqi revolution relations between the two countries were fairly good, though distant. The new Government in Iraq were generally too preoccupied with more pressing problems to spare much thought to Kuwait, while the Kuwaitis, although their suspicions remained,

were prepared to put off considering their own attitude towards the new régime until its attitude towards Kuwait was clarified. Towards the end of 1958 the Ruler of Kuwait paid an official visit to Iraq to discuss matters of mutual concern. During this visit the Iraqis made no demur at proposals for frontier demarcation, agreed to define the sea-bed frontier in accordance with accepted principles of international law and agreed to the formulation of regulations to govern extradition and the exchange of information on subversive matters. However, since neither the Kuwaitis nor the Iraqis were prepared to force the pace, the progress during the Ruler's visit was largely procedural and no real progress in substance was made towards a settlement of common problems. Qasim impressed the Ruler of Kuwait as strong, sincere and single-minded, although the Ruler also expressed some concern at the apparent increase in Communist activity in Iraq. Despite the Ruler's misgivings, however, it seemed as if real progress on matters of mutual concern might at last be possible, and that the new Iraq régime did not suffer from its predecessor's blind spot regarding Kuwait.

15. Despite the promising beginning, however, matters did not improve and the two countries drifted steadily further apart. By May 1959 the Kuwait Government had become convinced that Qasim was probably a Communist, and that even if he were not most of his Administration was. In addition the Ruler of Kuwait was convinced that Iraq still harboured aggressive intentions towards Kuwait. It is perhaps significant in this connection that the Iraqi régime as reconstituted in February 1959 was essentially hostile to the UAR and inclined to take an independent line. It is not unlikely that the Kuwaiti attitude was in part the result of UAR influence in Kuwait, although there was certainly sufficient justification for the Kuwaiti anxiety over Iraq's drift towards Communism. It is also relevant to note that the Ruler's anxieties over Iraqi intentions proved to be fully justified, although no overt move was made until June 1961.

16. Nevertheless the two countries continued to exist, if not in amity, at least without undue friction until the signature in June 1961 of the Exchange of Notes between Kuwait and the United Kingdom, which has come to be regarded as signalling Kuwait's emergence as a fully independent sovereign State. Six days after the signature Qasim announced at a Press conference that Kuwait was an integral part of Iraq and that a Republican Decree would be issued the following day appointing the Ruler of Kuwait provisional Qaimaqam of the Qadha of Kuwait in the Liwa of Basrah, subject to his continued good behaviour. This public declaration had been preceded by Qasim's private action of tearing up the original draft telegram congratulating the Ruler on the Exchange of Notes and substituting for it a telegram written by him personally in which Iraq's claim to Kuwait was implicitly asserted.

17. Qasim's action seems to have taken most of his Ministers and officials by surprise and was, indeed, a radical break with the Iraqi attitude towards Kuwait which had developed since 1958. The Iraqi claim had not been voiced either officially or unofficially since then, and appeared to have been dropped. This view had been supported by Iraqi actions. Thus the Iraqi Government had asked in December 1958 for permission to install a Consul in Kuwait, and as late as 13 June, 1961, Kuwait's entry into the International Labour Organisation had been supported by the Iraqi delegate whose speech, on behalf of the Arab States, clearly implied Iraqi acceptance of the separate international identity of Kuwait. Only a few months earlier Iraq had sponsored the establishment of the Organisation of Petroleum Exporting Countries, of which Kuwait was also a founder member, while Kuwait's separate participation in the inter-Arab agreements on the establishment of an Arab airline and an Arab tanker company, in the Arab Development Bank and in a number of other Arab and international organisations were further proof that Iraq had accepted Kuwait's separate identity.

18. In the days following Qasim's Press conference, false reports of demonstrations in Kuwait in support of Qasim appeared in the Iraqi Press which also continued to proclaim Iraq's historic right to Kuwait and to support this claim by what purported to be historical arguments. However, the promised decree was never issued, although a Note, couched in relatively moderate language, in which the Iraqi claim was reasserted, was sent to all Diplomatic Missions in Baghdad on 26 June, 1961. During this period also reports of Iraqi troop movements and military preparations multiplied to the point where the Ruler of Kuwait considered the threat sufficiently serious to warrant asking for British assistance under the terms of the Exchange of Notes, and the first British troops landed in Kuwait on 1 July.

19. Available evidence leaves some doubt whether the Iraq Government intended to follow up their aggressive words with action. On the one hand, there appears to have been no first-hand evidence of imminent military operations, but, on the other hand, Baghdad was full of rumours of troop movements. In order to deter the Iraqis from any action they might be contemplating, and in order to reassure the Kuwaitis, therefore, Her Majesty's Government thought it best to leave no doubt of their readiness to fulfil their obligations to Kuwait. It seems likely in the light of available evidence that Qasim had intended for some time to annex Kuwait by subversion, negotiation or conquest, but that the Exchange of Notes and the consequent public change in Kuwait's status caught him on the wrong foot. He therefore resolved to press on with his plans for annexation before Kuwait's claim to independence was further strengthened by recognition by other States and by her entry into the United Nations and the Arab League. It is thought that his claim at the Press conference was made in the hope that this pressure, aided by pro-Iraqi elements in Kuwait, would be sufficient to bring about the desired end. However, military dispositions were made in case forcible intervention proved necessary. It is probable that Qasim believed that British intervention was unlikely, and that if it did occur it would be too slow to forestall him. He was consequently forced to change his plans in the light of the strength of the British reaction and the speed with which military backing was provided for Kuwait.

20. Qasim's motives for reviving the claim to Kuwait are equally difficult to assess. Apart from any genuine belief in the justice of the Iraqi claim, it seems likely that he was attempting to divert domestic attention from the internal shakiness of his régime by focusing popular attention on some foreign venture. In addition it should be remembered that the wealth and economic resources of Kuwait would make Iraq the most powerful economic force in the Arab world, would greatly strengthen Qasim's internal position and would lay the foundation for subsequent expansion south into the Persian Gulf States. In addition, by diminishing UAR pre-eminence, Iraqi annexation of Kuwait would greatly strengthen Iraq's political position in the Arab world.

21. Following his initial public claim to Kuwait, Qasim maintained a consistent line until his death in February 1963. Thus the Iraqi delegate opposed Kuwait's entry into the Arab League, and Iraq thereafter refused to have any dealings with the League on the grounds that Kuwait's admission was unconstitutional. Similarly Kuwait's application to join the United Nations was opposed by Iraq, and certain specific actions against Kuwaiti interests were also taken. Kuwaiti accounts in Iraqi banks were frozen, passports bearing a Kuwaiti stamp were no longer accepted, Kuwaiti vessels in Basrah harbour were seized on the grounds that they should have been carrying Iraqi papers, and all official contacts between the two countries lapsed.

22. However, informal contact was maintained, and during 1962 a number of attempts were made by merchants whose interests were suffering or who had an eye to the future, to reopen official contacts. In addition the Syrian Government proposed informally that Kuwait should become a sort of Arab Federal Territory and the home of the Arab League Headquarters. But the Kuwait Government, discreetly encouraged by Her Majesty's Government, resolutely refused to consider anything until Iraq formally recognised Kuwait's independent status. It should be noted that although these unofficial contacts were indicative of the distaste for Qasim's policies felt by many merchants and Government employees in Iraq, it should not be assumed that these were prepared to accept Kuwait as a separate entity. At most they disagreed with Qasim on the means of achieving his aim. There was therefore no fundamental change in the situation until Qasim was assassinated following the February 1963 revolution and a new, predominantly Ba'ath, Government was formed under President Arif.

IV. Post-Qasim

23. The initial Kuwaiti reaction to the *coup* was one of unrestrained joy and a feeling that Kuwait's problems had been solved. Indeed, the Acting Amir and Prime Minister, Shaikh Sabah al Salim, had to be restrained from his inclination to ensure that Kuwait was the first to recognise the new régime in Iraq in the hope of bouncing them into according reciprocal recognition to Kuwait. However, Iraqi reaction to Kuwaiti efforts to promote better relations, possibly leading to Iraqi recognition, showed clearly that the new régime had not necessarily abandoned the long-standing claim to Kuwait, although it was equally clear that its leaders were abysmally ignorant of the facts about Kuwait. The Kuwait Government, therefore, decided that their best approach to the new Iraq Government would be through the Arab League, although the feeling persisted that if Kuwait was to benefit from the change of régime it would be necessary for a delegation to be despatched to Baghdad fairly soon to make official contact. The Iraq Government appeared to regard Kuwait as possessing some of the attributes of sovereignty although not a fully fledged independent State, and it seemed as if Iraqi long-term hopes were pinned on the establishment of a form of confederation in which Kuwait retained her internal autonomy but in which defence and foreign affairs would be in Iraqi hands.

24. Unofficial contacts between the two countries quickly returned to their pre-1961 state, postal, telegraph and telephone contacts were resumed and the frontier was open again by the end of February 1963. However, in no case were the Kuwaitis advised officially of Iraqi action. There were, in fact, no official Government contacts for some time, largely because the new Iraq Government were faced with many more pressing problems requiring urgent solution. The lack of contact was, however, also due in part to the conclusion drawn by the Kuwaitis that it was in their best interests to await a first move by Iraq. Finally the Iraqi Foreign Minister announced on 6 March that his Government was willing to exchange Ambassadors once more with those countries from which Qasim had withdrawn them over the Kuwait crisis. He also stated that his Government accepted that Kuwait possessed certain attributes of sovereignty and respected them, and that they would welcome any delegation the Kuwait Government might like to send to Baghdad for discussions. He also suggested that the question of Kuwait should be discussed when the Arab League Secretary-General visited Baghdad. The Kuwaitis had already asked the latter to speak on their behalf.

25. On 21 March a Kuwaiti goodwill mission went to Baghdad, ostensibly to congratulate the new régime. The mission consisted of the Ministers for Foreign Affairs and Health, a senior Foreign Ministry official, and a prominent

merchant who later became Ambassador in Beirut, but it was not empowered to undertake negotiations. The mission returned to Kuwait after three days, carrying a cordial, though non-committal letter from President Arif to Shaikh Abdullah, addressing him as Amir of Kuwait, though not of the State of Kuwait. The Foreign Minister reported that the question of Kuwait's independence had been broached by the Iraqis, who had indicated their willingness to recognise Kuwait's independence if the Anglo-Kuwaiti Exchange of Notes of 1961 was abrogated, a form of association between the two States was established in which Iraq would control their joint foreign affairs and defence, and 50 per cent of Kuwait's oil revenue was used to finance a development fund for use in Iraq and other Arab countries. However, Iraq would guarantee all existing oil concession agreements relating to Kuwait. The Kuwaiti delegation had replied that Kuwait would no doubt consider joining the union between the UAR, Syria and Iraq, which was under discussion at the time, once it had been set up. This was not however satisfactory to the Iraq Government who were hoping to join the projected union as a "strong" country—*i.e.*, after the problem of Kuwait had been settled to Iraq's satisfaction. Although the Kuwaiti response was little more than a delaying device since the Iraqi conditions were obviously unacceptable, the Amir instructed the Council of Ministers to explore possible methods of satisfying the Iraqis while still maintaining Kuwait's position that unconditional Iraqi recognition of the sovereignty and independence of Kuwait was a necessary prerequisite to any further discussions on matters of mutual concern.

26. It was decided that an emissary should be sent to inform the Iraq Government of this and to tell them that Kuwait would be happy thereafter to enter into further discussion but that it should be noted that Kuwait's Constitution, though it was no bar to Kuwait forming part of some larger confederation of some kind, did debar her from becoming part of Iraq, or indeed of any other State. The emissary returned to Kuwait on 3 April, with confirmation that the Iraq Government were insisting on the abrogation of the 1961 Exchange of Notes and on the establishment of some form of political and military association between the two States as a condition of recognition. The Iraqi proposals were still unacceptable to the Amir and he referred the matter to a committee whose recommendation that the Arab League and President Nasser should be advised of the exchanges was followed.

27. On 8 May the Iraq Government suddenly and without notice despatched a delegation which included the Foreign Minister to Kuwait, ostensibly to return an earlier Kuwaiti visit to Baghdad. However, it transpired that the main Iraqi motive had been to ask for financial assistance, reportedly to the tune of KD100 million. The Kuwaitis had apparently agreed in principle to give the Iraqis a long-term loan of KD20 million directly in addition to a further KD10 million through the Kuwait Fund for Arab Economic Development, provided a formula could be worked out which both saved Iraqi face and satisfied Kuwait's legitimate demands for unconditional recognition of her independence and sovereignty within the frontiers agreed in 1932.

28. In the meantime, Kuwait finally achieved membership of the United Nations on 14 May, 1963, despite continued Iraqi opposition, and her confidence in the strength of her bargaining position increased considerably. However, the Iraqi opposition to her entry clearly showed that Iraqi recognition of Kuwait would not be accorded without a fight. Early in June the Kuwait Government passed to the Iraq Government a draft formula, as promised, which provided for full recognition by the Iraq Government of the sovereignty and independence of Kuwait within the frontiers agreed in 1932 as a necessary precondition to discussing other matters of mutual concern. The Iraqis eventually agreed to recognise Kuwait within the 1932 frontiers provided Kuwait would abrogate the 1961 Exchange of Letters and would announce her intention of working towards a

federation between the two States. The Kuwaitis, however, felt that there was no necessity to concede anything to the Iraqis at this stage and towards the end of June a Kuwaiti delegation made another visit to Baghdad, this time with specific instructions to obtain unconditional Iraqi recognition of Kuwait. Only thereafter would the Kuwait Government be prepared to review other issues, such as the provision of financial assistance and existing international obligations. This mission also returned empty-handed since the Iraqis were still insistent upon the abrogation of the Exchange of Notes, a condition which the Kuwait Government considered both unacceptable and none of Iraq's business. No further official contacts occurred for some time, although unofficial talks continued in Beirut, aimed at a compromise solution.

29. By the middle of August, the talks, which had changed status and become official, had resulted in a provisional agreement which provided for action to be taken in two stages. Firstly, Kuwait was to offer Iraq KD2 million as a gift to be distributed among the families of those who had been killed or had suffered damage to their property during operations against the Kurds. In response the Iraqis would send a letter to Kuwait expressing their thanks and offering formal recognition of Kuwait. Secondly, there would be an exchange of delegations to negotiate a loan of KD10 million through KFAED on its normal conditions, and a further direct Government loan of KD20 million, probably interest free. Iraq's recognition of Kuwait would be unconditional, but would probably contain some reference to the statement to the National Assembly made by the Kuwait Government on 16 April, 1963, in which they said that they would "take the question of the Anglo-Kuwaiti Exchange of Letters of 1961 into consideration, especially after conditions in the area have begun to become stable". Nevertheless the Kuwait Government insisted that any change in the terms of the Exchange of Notes was a matter for Kuwait to decide. It was subsequently decided that a joint communiqué should be issued after completing the first stage. The communiqué would contain an Iraqi statement recognising the independence and sovereignty of Kuwait within the frontiers agreed in 1932, a statement that both States would work together strengthening mutual relations and an agreement to exchange diplomatic representation immediately in order to establish cultural, commercial and economic co-operation. The agreed statement also eventually contained reference to the Exchange of Notes, stating that "the Iraqi side have taken note of the announcement of the Government of Kuwait made to the Kuwaiti National Assembly on 9 April, 1963, which embodied the desire of the Kuwait Government to work for the ending of the agreement concluded with the British at the opportune time".

30. Talks on the terms of the loan agreement continued well into September while the Kuwaitis became increasingly worried at the prospect of a united Ba'ath *bloc* consisting of Syria and Iraq facing them and at the possibility that a loan to Syria might be part of the price of Iraqi recognition. These fears were, however, largely removed by the announcement on 15 September that Kuwait and Syria were to exchange Ambassadors and that Syria was proposing to seek a loan from KFAED on its normal conditions. Iraq immediately raised the price of recognition, now demanding that the whole KD30 million should be an interest-free loan. But since the Kuwaiti delegation were less anxious to achieve agreement at all costs now, the matter was referred to the National Assembly, which eventually approved a direct loan of the full sum, though not without opposition. An Agreed Minute was finally signed on 4 October, 1963, and arrangements for the loan concluded on 13 October, 1963. This was the last major act of the short-lived Ba'ath régime in Iraq before the counter-revolution of 18 November, 1963.

31. Public reaction to the agreement and the loan in Kuwait was generally that Kuwait had been put in the undignified position of having to pay for something that other States had obtained free. The merchant community felt

that the loan was no more than a short-term answer to Kuwait's stability, with no satisfactory long-term prospects, while the younger educated Kuwaitis asked what Kuwait had gained from the Iraqi recognition which she had not already possessed, and what was to stop the Iraqis from asking for more. Opposition in the National Assembly was based on the arguments that Kuwait's membership of the United Nations and the Arab League and the fact that over 80 nations recognised her independence meant that there was no need for such an expensive and potentially impermanent deal with Iraq. Iraqi reaction to the agreement was also generally one of opposition. Many Iraqis felt it was humiliating to have to bargain for financial assistance, and the majority of them were not really prepared to accept anything less than the eventual absorption of Kuwait by Iraq, although they recognised that it was necessary to choose the most suitable method of achieving this aim.

32. Discussions also commenced at this time concerning practical measures for improving relations between the two States. However, the Iraq Government remained reluctant to consider demarcating the frontier and it was clear that this question, like that of the eventual adherence of Kuwait to Iraq, remained a sensitive political issue in Iraq. Nevertheless relations between the two States improved considerably on the practical level and by early 1964 agreement in principle had been reached again on the possibility of Kuwait drawing water from the Shatt al Arab.

33. It was clear, however, that although the Kuwaitis welcomed the re-establishment of cordial relations with "sister" Iraq, they were privately sceptical of the real motives of the Iraq Government and remained suspicious of possible Iraqi moves against Kuwait's independence. In spite of these not unjustified fears, the Iraqi nationalisation measures announced in July 1964, which provided *inter alia* for the nationalisation of all banks, insurance and re-insurance houses and a large number of industrial and commercial firms, in all of which there was a sizeable Kuwaiti investment, took the Kuwaitis by surprise. The measures were regarded as a clear breach of undertakings made by various delegations, both Government and private, since October 1963 in an attempt to attract Kuwaiti investment, all of which were regarded in Kuwait as morally binding. The Iraqi Foreign Minister visited Kuwait the following month, ostensibly in return for an earlier visit to Iraq by a Kuwaiti delegation. However the composition of the delegation he headed was considered sufficient reason for the widely-held view that the real purpose of the visit was to allay Kuwaiti misgivings and suspicions aroused by the nationalisation measures. It was equally widely held that if this were so his visit was a failure, in spite of the Minister's references to co-ordinated investment in mutually attractive schemes, while Kuwait's response to Iraqi Army manoeuvres near the border in October 1964 were indicative of how seriously the Kuwaitis took Iraqi protestations of co-operation and friendliness.

34. An Iraqi economic delegation visited Kuwait towards the end of October and the visit resulted in the signature of the Economic Agreement of 25 October, 1964, together with its Protocol, setting out agreed measures to encourage private investment by nationals of each State in the other, with safeguards for ensuring the security of such investments and conditions for expropriation and compensation. Under the terms of the agreement all agricultural, animal and industrial products from each State would be exempt from customs and other dues in the other, provided that the value of the local raw materials used in the finished commodity was not less than 25 per cent of the total production cost. Natural wealth and industrial products were also covered, with the exception of certain items to be enumerated in separate schedules still to be worked out. The agreement also provided for the free movement of capital between the two States, while transit trade would be facilitated by the abolition of transit dues, and each

State would grant the other most-favoured-nation treatment for its products. This agreement was not however ratified until June 1966, and the question of its practical implementation has since been used, albeit inconclusively, by Kuwait as a means of provoking Iraq into positive action on the still unresolved question of frontier demarcation.

35. Towards the end of March 1965 the Amir of Kuwait visited Baghdad, when the main topic for discussion was the demarcation of the frontier. No real progress was made since the Iraq Government were still insistent on acquiring control of Warbah and Bubiyan Islands, but agreement was reached in principle on the establishment of a Joint Frontier Commission charged with demarcating the agreed frontier. There were further official contacts during the year resulting in protocols dealing with co-operation in the fields of culture and information media but, despite these outward signs of cordiality, relations were not good, mainly because of Iraq's continued reluctance to demarcate the frontier and Kuwait's polite but firm insistence on progress on this matter as an essential precondition to any further co-operation. For this reason, as well as for the more cogent one that the Kuwaitis were reluctant to trust their water supply to Iraq, no progress was made either on the Shatt al Arab water scheme or on any of the possible *quid pro quos*. Towards the end of 1965 relations grew worse when the Iraq Government commenced building a new customs post on the frontier at a point which the Kuwaitis regarded as indisputably Kuwaiti territory. Tension rose and threats were made on both sides, and although there were no serious repercussions and the issue subsided, the incident clearly demonstrated once more the Iraqi belief in the validity of their latent claim to sovereignty over Kuwait. Equally clear were the internal difficulties that would face any Iraq Government which reached agreement on the frontier issue. This resulted in continued Iraqi prevarication and no progress was made. By the middle of 1966, when the Amir of Kuwait paid an official visit to Iraq, the proposed Joint Frontier Commission had still to meet for the first time.

36. From the Iraqi point of view the most important result of the Amir's visit was the ratification by Kuwait, and the exchange of instruments by both sides, of the long dormant Economic Agreement signed in 1964. It was further agreed that the five permanent committees dealing with various aspects of the agreement would meet in Baghdad within two months and thereafter at least once a year in Baghdad and Kuwait alternately. From the Kuwaiti point of view the most important result of the visit was the Iraqi agreement to arranging the first meeting of the Joint Frontier Commission within two months. It was known that the Kuwaiti delegation had indicated that progress on the economic front was entirely dependent on some positive Iraqi gesture over the frontier. It seems likely, therefore, that in view of the identical time scales, the establishment of the committees and the Frontier Commission were linked, in Kuwaiti eyes at least. Despite the Iraqi promises, however, no progress was achieved on the Frontier Commission before President Arif's State visit to Kuwait in December 1966. Although this was the first official visit of an Iraqi Head of State to Kuwait since the latter attained full independence, and indicative, as such, of Iraq's ostensible change of attitude, the talks showed once again the difficulty of pinning the Iraqis down on frontier demarcation, and the Kuwait Government once more pointed out to the Iraqis that the chances of economic and financial assistance and co-operation outside the scope of KFAED were minimal and would remain minimal until progress was made on the frontier issue.

37. Between President's Arif's State visit and an official visit paid to Kuwait by the Iraqi Prime Minister Tahir Yahya in January 1968 there was no noticeable progress made towards a settlement of the frontier between the two countries which would mark Iraq's final acknowledgment of Kuwait's independent sovereignty over a defined territory and which is a necessary precursor to any

real and lasting improvement in relations between the two countries. Although the Joint Border Commission finally met in Baghdad in March 1967 and in Kuwait in October 1967, the first meeting got no further than an Iraqi demand for the cession of Warbah and Bubiyan, obviously unacceptable to Kuwait, while the second meeting did no more than endorse a suggestion, presumably advanced by Iraq to gain time, that both sides should survey the border areas separately again. Tension arose during April when the Iraqis moved troops up to the frontier area, removed an unoccupied Kuwaiti immigration tent and infringed Kuwaiti airspace, but the matter was quickly settled. During the Arab-Israeli war of June 1967 and subsequently the Kuwait Government were anxious lest the Iraqis would take advantage of the general confusion in the Arab world to move against Kuwait. However, Kuwaiti nervousness quickly disappeared as tension throughout the Middle East dropped and by December the Kuwaiti Foreign Minister was confident that the frontier question could be settled without difficulty.

38. During Tahir Yahya's visit agreement was reached in principle on Kuwaiti financing, through KFAED, for a paper-making plant in Basrah and a power station in Samarra. Agreement was also reached in principle on the setting up of a joint committee to study the possibilities of establishing joint projects in the iron, steel, petrochemical, brick and sulphur industries. However, it was generally agreed that little significance need be attached to these agreements until further progress was made on the frontier problem. It was clear that frontier settlement was regarded in Kuwait as a necessary *quid pro quo* for any further financial assistance, or for any negotiations aimed at getting it. Despite protestations of good faith the Iraq Government had by April still made no real positive steps towards settling the frontier question and other matters of mutual concern remained in abeyance.

39. The Amir of Kuwait paid a brief official visit to Iraq on 15-16 June, 1968, but this appears to have been mainly of a courtesy nature, though some official discussion did take place.

40. Clearly, Her Majesty's Government's decision to withdraw their military capability from the Gulf by 1971, announced on 16 January, 1968, will have its effect on Iraqi-Kuwait relations, since the Kuwaitis have generally considered the continued obligation to Her Majesty's Government to give military assistance to Kuwait as the main reason for the 1961 Exchange of Notes and a matter of paramount importance to Kuwait's continued existence. It was for this reason that Kuwait reluctantly accepted the British proposals for termination of the 1961 Exchange. However for presentational reasons the Kuwaitis wished to be able to say that the termination was at their request, and the Exchange of Letters of 13 May, 1968, recorded both the agreement on termination and the fact that Kuwait had initiated proceedings. The initial reaction in Kuwait to the announcement of the impending military withdrawal was one of stunned disbelief, followed by pessimistic suggestions that this would mean that it was only a matter of time before Iraq annexed Kuwait. There has been no visible Iraqi reaction as yet, although the announcement has no doubt caused the Iraq Government to focus attention on Kuwait. But Kuwait's support for the Arab cause, her large financial assistance to other Arab States, notably the UAR, and her separate membership of such bodies as the Arab League and the United Nations, mean that an Iraqi attempt at forcible annexation is unlikely unless conditions in Kuwait are such that military action could be justified to the Arab world. In addition, as long as there remains a British defence commitment to Kuwait, this also is likely to inhibit direct Iraqi action against Kuwait, while the weakness of the present Iraqi régime and its preoccupation with the Kurds are also likely to inhibit such action.

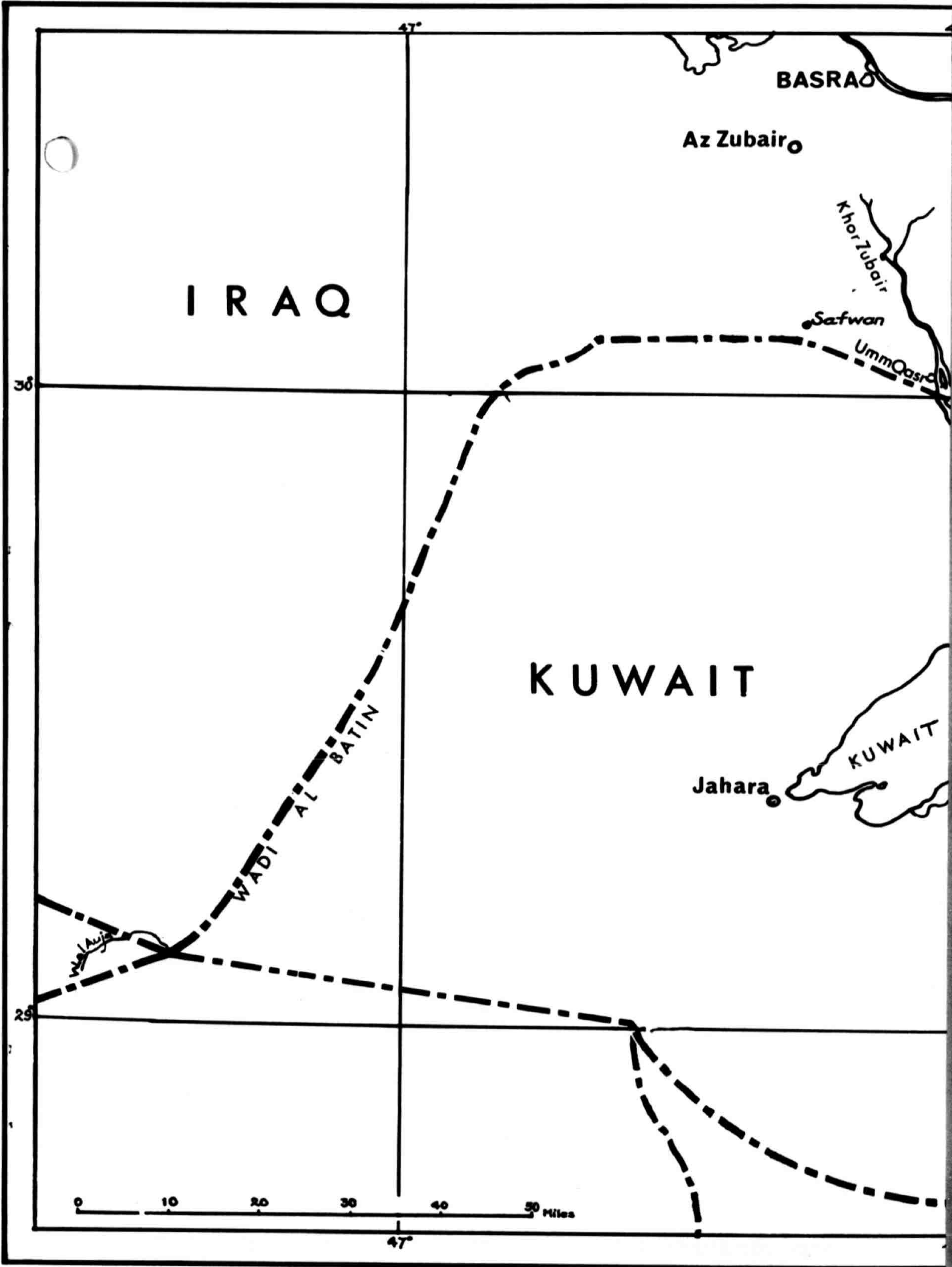
41. The change in Iraqi régime of July 1968 does not appear to have materially altered relations between the two States, although the Kuwaitis seem determined to be optimistic about it. There is some justification for Kuwait's relatively relaxed attitude towards the new Iraqi régime, since it is, from Kuwait's point of view, an improvement on its predecessor, and probably on any Iraqi régime since 1958. The fact that it was a Ba'ath Government which formally recognised Kuwait's independence in 1963 and the fact that General Takriti, the new Iraqi Deputy Prime Minister and Minister of Defence, appears to have made a favourable impression on the Iraqis when he visited Kuwait with Abdul Karim al Shaikhly, the Minister of Foreign Affairs, on 4-6 November, 1968, are additional reasons for the Kuwaiti optimism. There has also been talk recently of plans to supply Kuwaiti natural gas and electricity to Iraqi industry and to extend the Russian-built railway from Umm Qasr to Kuwait and possibly on to Saudi Arabia. Kuwait would welcome the first of these plans since this would give her a hold over Iraq which would compensate for Iraq's hold over Kuwait's water supply if the Shatt al Arab water scheme ever materialises, while the railway is regarded as a purely commercial matter without strategic overtones, since it could easily be destroyed. However, Kuwait clearly has doubts about its staying power and it would be premature to suggest that a new era in Kuwait-Iraq relations had dawned.

V. Conclusions

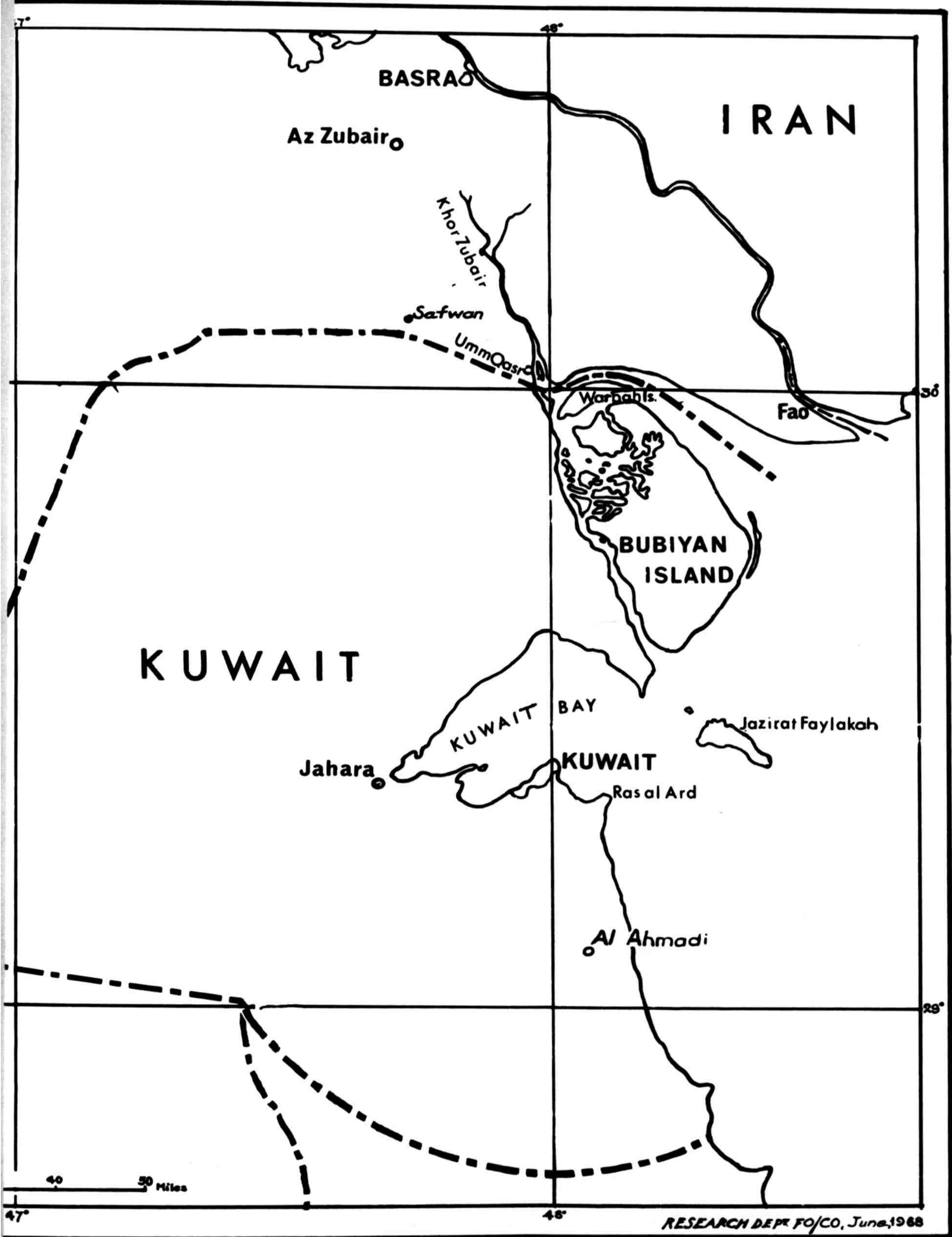
42. Although Kuwait's relations with Iraq are better than they have been ever before it would be rash to assume that the improvement is anything but temporary while Kuwait's frontier requirements remain unfulfilled, particularly in the light of the impending British withdrawal. It should be remembered that most older Kuwaitis profoundly distrust Iraq and Iraqi motives and that in addition to their concern about Iraq's past claims to Kuwait territory, concern about Soviet influence in Iraq has been growing. It is also worth noting that there has been little in the Iraqi attitude towards Kuwait since the 1961 Exchange of Letters which would encourage a modification of this distrust. Iraq is likely to continue to cherish her ambitions against Kuwait and as long as this situation lasts Iraq will continue to present a serious potential threat to Kuwait. It is unlikely that the Iraqi threat will become active in the next few years, but in the light of this background it will be difficult for the Kuwait Government to remain optimistic about the prospects for a genuine and lasting improvement in their relations with Iraq—at least, not for some time to come.

*Middle East Section,
Research Department,
Foreign and Commonwealth Office.*

KUWAIT-IRAQ RELATIONS



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Reference.....

Mr. Ford.

Mr. Cynlaga

Kuwait - Iraq Relations

I attach the final draft
of the above memorandum
which has now been cleared
with Kuwait & Baghdad.
Subject to any further amendment
by Mr Ford. It is now ready for
printing. Cartographical Section
have been asked to supply 200
copies of the maps.

a. There seems to be no
reason why this memorandum
should not go to NATO, &
attach a Distribution Form
herewith.

Approved for
distribution although not
to NATO without further
consideration JF 6/2.

C. Ford

Middle East Section

5 February 1969

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RESEARCH DEPARTMENT MEMORANDUM

KUWAIT-IRAQ RELATIONS

SUMMARY Rom caps

- (2) A. ☐ Relations between Kuwait and Iraq have been generally poor during most of Kuwait's existence. The primary cause has been Iraq's claim to sovereignty over Kuwait. This claim, though based in public on politico-legal arguments, stems fundamentally from economic and strategic grounds. (Paragraphs 1-4) *g*
- (2) B. ☐ Prior to the Iraqi revolution of 1958 relations between the two countries were marred by Iraqi intransigence on the question of frontier demarcation and by Kuwait's resultant refusal to co-operate in settling various Iraqi complaints and requests until progress was made on the frontier question. (Paragraphs 5-8) *g* Iraqi pressure on Kuwait to join the short-lived "Arab Union" between Iraq and Jordan early in 1958 was unsuccessful, although the Ruler of Kuwait agreed

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to commence negotiations on a number of points of mutual interest. This offer was considered inadequate by the Iraq Government, but before further progress had been made, the Iraqi revolution of July 1958 put an end to discussion. (Paragraphs 9-13) *g*

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C. O Initially, relations between Kuwait and the new Iraqi régime were good and progress on matters of substance seemed possible, but by early 1959 the position had deteriorated. However, the two countries continued to exist without undue friction until 1961, when the Anglo-Kuwaiti Exchange of Notes led to a formal declaration by the Iraqi Premier that Kuwait was an integral part of Iraq. Although there is some doubt whether the Iraq Government intended to follow up bellicose words with action, the Kuwait Government took the threats sufficiently seriously to ask for British military assistance under the terms of the Exchange of Notes. Qasim maintained his formal position until his death in 1963, although unofficial contacts between the two Governments were maintained. (Paragraphs 14-22) *g*

D. Although unofficial contacts between the two countries quickly returned to the pre-1961 position after the Iraqi revolution of 1963,

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official contacts were not resumed until late March, when a Kuwaiti delegation visited Baghdad. Thereafter negotiations commenced which culminated in the agreement of October 1963 under which Iraq recognised Kuwait's independence and sovereignty within the frontiers agreed in 1932 in exchange for an interest-free loan of KD 30 million. However, opposition to the agreement was voiced both in Iraq and in Kuwait. (Paragraphs 23-31) 6

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E. □ Thereafter, relations improved on a practical level, although Iraq remained reluctant to demarcate the frontier and Kuwait remained suspicious of Iraqi motives.

(Paragraphs 32-39) 6 7 x

F. Her Majesty's Government's decision to withdraw militarily from the Gulf by 1971 will affect Kuwait-Iraq relations although Iraq is unlikely to attempt forcible annexation unless it can justify such action to the Arab World. The change in Iraqi régime in July 1968 does not seem to have affected relations although the Kuwaitis are determined to be optimistic about it. (Paragraphs 40-41) 6

G. Although relations between the two countries are better than ever before it would be rash to assume that Iraq has given up her ambitions or that there is any real hope of a genuine and lasting improvement in relations. (Paragraph 42) 6

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 I. Introduction

During most of Kuwait's life as an independent or semi-independent state her relations with Iraq have been strained. The primary cause for this has been the Iraqi claim to sovereignty over Kuwaiti territory on the ostensible grounds that Kuwait formed part of the Ottoman Vilayat of Basrah before the First World War, and that Iraq, as successor to the Ottoman Government in the area, assumed sovereignty over Kuwait. This argument ignores inter alia: the fact that Kuwait had been under Turkish suzerainty rather than sovereignty; the fact that Turkish control was at best nominal; the (unratified) Anglo-Turkish Convention of 1913 which recognised the autonomy of Kuwait within the Ottoman Empire; the arrangements made after 1918 for the disposal of the territories of the Ottoman Empire and for the creation of the Anglo-Iraqi relationship under League of Nations supervision; and Nuri al Said's letter of 1932 agreeing ^{to} the frontier "between the two countries". Subsidiary arguments adduced from time to time in support of the Iraqi claim, whether it was made in its most extreme form of a claim to the whole of Kuwait, as in 1961, or in the more moderate form of a demand for

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a modification of the frontier agreed in 1932, as in 1968, have been Kuwait's importance to Iraq in matters of public security, trade and prevention of smuggling. Until 1963, when the Iraq Government for the first time publicly and formally acknowledged Kuwait's sovereignty and independence, successive Iraq Governments ^{had} ~~have~~ cherished long-term ambitions to annex Kuwait. On the Kuwaiti side, the main complaints ~~have~~ been the persistent Iraqi refusal to recognise or demarcate the frontier agreed in 1932, and the Iraqi refusal to accept the position of the Al Sabah in regard to certain family properties in Iraq.

2. In recent years, Kuwait's attractiveness in Iraqi eyes has been enhanced considerably by the discovery and exploitation of enormous oil deposits. In common with most other "progressive" Arab States, Iraq has, since the revolution of 1958, regarded the high per capita income of Kuwait as a scandalous waste of resources which could be better employed in the more needy countries - like Iraq - and it is clear that this potential has contributed to Iraq's persistence in her claim to Kuwait. It should be noted that the Iraqi assessment of Kuwait's wealth and her use of

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it does not take into account the sizeable investment by Kuwait in the Arab world by direct loans and grants, including, since the June 1967 war, annual grants to the UAR and Jordan totalling KD 48.17 million, ^{generous loans} ~~and~~ through the KFAED; ~~and~~ Kuwait's indirect contributions to the economy of the Arab States through expatriate employees' remittances.

3. A consideration of the facts indicated that although the politico-legal arguments summarised above are those publicly affirmed by successive Iraqi Governments in support of their claim to control over a greater or lesser part of Kuwait, the fundamental reason for the claim was economic, with some strategic overtones. The existence of an independent Kuwait within the frontiers agreed in 1932 constitutes a major obstacle to Iraqi access to adequate ~~control~~ control over the approaches to these ports. Both Basrah and Fao are of restricted value, ~~as ports~~ and can be maintained as deep water ~~ports~~ ports only by constant dredging of the approach channels, while unrestricted use of Basrah is also dependent on cordial relations between Iraq and Iran - a sometimes difficult or impossible state of affairs in Iraqi eyes. Umm Qasr has always

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deep-sea port facilities
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been regarded as the only viable alternative port. However, because of its position close to the border, it would not be possible to develop the port area in the most rational manner, while the separate existence of Kuwait means that Iraq's control over the approaches to the port can never be complete. Rightly or wrongly, therefore, Iraqis have tended to regard the acquisition of sufficient Kuwaiti territory to allow the development of Umm Qasr and to secure Iraqi control over the approaches thereto as a minimum economic requirement. In addition there was the attraction of the enormous oil revenues accruing to Kuwait which were undoubtedly the object of Iraqi covetousness.

4. It should be borne in mind that although Her Majesty's Government have tended to regard Kuwait as a northern extension of the Gulf trade route, it lies, in Iraqi eyes and in fact, on an ancient trade route leading from the Mediterranean to Basrah and on to the Gulf and beyond. Within this context it should be noted that Kuwait's emergence as an important and prosperous trading centre owed much not only to intrinsic Kuwaiti characteristics but also to the fact that as a result of the seige and capture of Basrah by the Persians in 1776 the bulk of the Indian trade with

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Baghdad and the Levant was transferred from Basrah to Kuwait, and that following the recapture of Basrah by the Ottomans, a sizeable proportion of this trade remained in Kuwait, where conditions were more favourable. In other words, Kuwait's prosperity as a trading centre was established at Iraq's expense. It is perhaps equally significant that Iraqi complaints of smuggling from Kuwait stem not only from the continued existence of more favourable trading conditions in Kuwait, but also from the Kuwaitis' natural dislike of losing lucrative trade.

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II. Relations prior to the 1958 Revolution

5. Relations between Iraq and Kuwait before the Iraqi revolution of 1958 were generally strained. In addition to Iraq's designs on Kuwait, causes of friction were Iraqi intransigence in the face of repeated Kuwaiti requests for demarcation of the frontier, smuggling from Kuwait into Iraq which the Ruler of Kuwait refused to do anything to stop, frontier violations both real and alleged by both sides, ^{and} Kuwaiti claims in respect of certain properties in Iraq and Umm Qasr. However, the Kuwaitis were not disposed to be co-operative over the Iraqi complaints concerning smuggling or over Iraqi attempts

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to secure the approaches to Umm Qasr in view of the Iraqi attitude over the frontier, and little was done of even a procedural nature to improve matters. The frontier problem arose as a result of an exchange of letters in 1932 between the Prime Minister of Iraq, Nuri al Said, and the Ruler of Kuwait. In connection with Iraq's proposed membership of the League of Nations, the High Commissioner for Iraq suggested that Nuri al Said write formally confirming the frontier between the two countries. In a letter dated 21 July 1932, Nuri al Said quoted a description of the frontier and asked for the agreement of the "competent authority or authorities in Kuwait" to the description of "the existing frontier between the two countries". The Ruler of Kuwait agreed ^{to} ~~the~~ frontier in a letter dated 10 August, 1932. Her Majesty's Government tried from time to time to define ^{it} ~~with~~ greater precision, ~~this frontier~~, but since the Iraq Government never formally accepted these definitions, their legal validity was doubtful, in spite of the British view that they were valid since they did no more than define in precise terms a generalised description. The position was further complicated by the fact that successive Iraq Governments refused to accept publicly the 1932 frontier description.

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6. In 1956 in response to a suggestion that the frontier be demarcated, the Iraq Government asked for a modification of the frontier which would give them sovereignty over Warbah Island and over a strip of territory in the Umm Qasr area, thus giving improved access to the Persian Gulf. The declared purpose in asking for this modification was to enable Iraq to further develop Umm Qasr as a port on the grounds that facilities at Basrah and Fao would eventually prove insufficient for Iraq's needs. It has been argued, however, that Iraq's motives were as much strategic as commercial, while the Kuwaitis regarded the proposal with intense suspicion as indicative of an underlying Iraqi intention to annex Kuwait.* It became clear that cession of sovereignty would be completely unacceptable to Kuwait, although Iraq was prepared to accept conditions which at first sight appeared to be generous. Consideration was therefore given to the possibility of Kuwait leasing to Iraq the territory the latter required for the development of Umm Qasr, and, for a period, it was hoped that it might be possible to link this project with another proposal under which Iraq would lease to Kuwait territory as required to permit the latter to draw water supplies by pipeline from the Shatt al Arab.

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7. In addition to an understandable reluctance to place the supply of an essential such as water in the hands of a foreign state whose past actions towards Kuwait had been suspicious to say the least, and whose future policy was unpredictable, there was considerable opposition from the Kuwaiti merchant community led by Shaikh Fahad, one of the most powerful members of the Al Sabah oligarchy. This community was ostensibly moved by fears that the development of Umm Qasr as a port might conceivably result in depriving Kuwait of a share in the transit trade to the Mediterranean. Early in 1956, therefore, the Ruler, apparently acting on the advice of the Al Sabah Family Council, said that he no longer wished to link the two proposals, and the Umm Qasr project was shelved. The merchants' ostensible fears were clearly unjustified since by this time there was little transit trade to and from the Mediterranean via Kuwait. It is likely, therefore, that these merely served to mask the Kuwaitis' basic fear that Iraq might seek to dominate Kuwait militarily or politically. once a foothold on Kuwaiti territory had been gained. It is also probable that the decision was influenced by the Kuwait Government's belief that any steps to link Kuwait more closely

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with Iraq would offend ~~the~~ ^{Egypt} ~~HAR~~, with whom Kuwait already had close ties, who was already the most powerful voice in pan-Arab affairs and ~~who was~~ not one to offend lightly, particularly in Kuwait where admiration for Nasser and his brand of Arab Nationalism was increasing.

8. At the time the Iraqis were considering the possibility of stringing an oil pipeline to Mina al Ahmadi to allow for increased exports by the Basrah Petroleum Company. Attempts were therefore made to link this project with the water pipeline project, but without success, since the Kuwaitis insisted on frontier demarcation as an essential pre-requisite for either project and ^{this} the Iraqis refused to consider. ~~demarcation~~ Further attempts to settle outstanding points of difference during 1957 also failed for the same reason, and no progress was made before the ~~Revolution~~. The Iraqis maintained their refusal to recognise or demarcate the frontier unless Kuwait would cede the territory needed for the development of Umm Qasr, while the Kuwaitis refused to cede any territory and insisted on frontier demarcation as a pre-requisite to any consideration of other outstanding matters.

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9. The situation was further complicated at the beginning of 1958 by the hasty creation of the "Arab Union" between Iraq and Jordan. The Union was the immediate response of the traditional Hashemite monarchies to the announcement of the formation of the United Arab Republic between Egypt and Syria. Before the actual announcement of the Union, Iraq had put considerable pressure on Kuwait to join the projected confederation. Iraq's principal motive in urging this step was to make Kuwait's potential wealth available to help finance the Union, it being patently obvious that Jordan would be a liability. The Iraqis were also worried about Egyptian influence in Kuwait⁷ and about the way Egyptian propaganda appeared to permeate all aspects of life in Kuwait, not only because of Egyptian influence in the educational system but also because of the unrestricted import of Egyptian periodicals and papers and the Egyptian influence on the State broadcasting system. Since Iraq was one of Egypt's main targets as an out of date monarchic régime, a strong anti-Iraqi feeling was generated through all these channels. Although this feeling was not shared by the Ruling Family, the Iraq Government considered that Kuwait was fundamentally unstable, and that the combination of wild extravagance by the Ruling Family and social revolutionary

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propaganda imported from Egypt would upset the régime and thus pose a threat to Iraqi stability. (It is of interest to note that the Ruler of Kuwait considered shortly before the revolution in 1958 that the Iraqi régime was insecure because it lacked popular support.)

10. However, the Kuwaitis, were suspicious of Iraqi policy, because of past history, while the Ruler saw no need to stand with his fellow monarchs against the threat of the UAR.

Equally, he saw no political or economic advantage to Kuwait ~~from~~ joining the Union. Indeed it seemed clear that Kuwait would lose economically, since her wealth would be used to help prop up Jordan, and politically, since closer liaison with the Union, and hence with Iraq, seemed bound to lead to a diminution of Kuwait's national integrity, and perhaps to her eventual absorption by her larger neighbour. In addition, public opinion in Kuwait was largely indifferent or hostile to the Arab Union and strongly in favour of the UAR. Nevertheless, the Ruler agreed to visit Iraq in May to discuss outstanding matters, among which Kuwait's adherence to the Union was expected to loom largest. At this time Her Majesty's Government were trying to persuade the Iraq Government that it was

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essential, if there was to be any hope of progress at all, to convince the Ruler of Kuwait that the Iraqi Government formally recognised the frontier and were prepared to demarcate it, and that this was merely the first step towards Iraqi recognition of Kuwait's independent sovereign status. At the same time Her Majesty's Government were also trying to convince the Ruler of Kuwait that there were real advantages in Kuwait adhering to the Union. The Ruler, however, was suspicious of the Iraqis and not entirely convinced that Her Majesty's Government's advice was as disinterested as it professed to be.

11. The visit took place as planned, but the Ruler reacted unfavourably to increased Iraqi pressure and refused to commit himself to more than a consideration of the implications of joining the Union. He later took the firmer line that he was not prepared to join the Union although he would consider the possibility of some closer tie with Iraq. He also agreed to consider negotiations on the following points:

- (a) reaffirmation of the land frontier and agreement on the method of demarcation.
- (b) commercial matters.

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(c) Kuwaiti investment in suitable projects and industries in Jordan and Iraq.

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(d) ²exchange of security information, particularly concerning subversive activities.

(e) ²extradition.

12. This was not enough for the Iraqis, however, particularly for Nuri al Said, who had adopted throughout an uncompromising attitude, and a document was finally passed to Her Majesty's Government purporting to represent the views of the Arab Union. It was clear, however, that the document represented Nuri's most extreme opinions and that Union officials did not accept its findings in entirety. It was, however, an important document in that it codified Iraqi views on the subject of Kuwait. In the memorandum Nuri pointed out that before the First World War Kuwait was an integral part of the Ottoman Empire and ²formed part of the Vilayat of Basrah, that this position was not affected by the 191³ Anglo-Turkish Convention or by the special relationship which existed between Her Majesty's Government and the Shaikh of Kuwait since 1899, and that Kuwait's position as a part of Iraq, which was the successor state to the Ottoman Empire after the war,

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was not affected by the fact that Iraq had had to acquiesce in any unilateral arrangements made by Her Majesty's Government for the administration of the area. He emphasised that Kuwait's present importance to Iraq lay in the lack of effort on the part of the Kuwaiti authorities to put an end to smuggling from Kuwait, in Kuwait's lack of interest in maintaining an adequate measure of public security thus constituting a direct threat to Iraq, in Kuwait's refusal to allow Iraq free access to the waters of the Persian Gulf and the consequent grave effects on Iraq's economy and in the fact that Kuwait had become a centre for propaganda hostile to Iraq, ~~and~~ emanating from Egypt and more recently the UAR. Finally, he proposed that either Kuwait adhered to the Arab Union or the Iraq Government would be compelled to prosecute their claims to a frontier with Kuwait which ran from the junction of Wadi al Auja and the Batin in a straight line eastwards to ^{Sahara} ~~Jahra~~ (see map).

13. During the course of discussions on the Union, it became clear that Iraqi motives in pressing for Kuwait's adherence to the Union, apart from any desire to annex Kuwait outright, were:

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- (a) ¹ the need for a sop for Iraqi public opinion which would show some advantage to Iraq from joining the Arab Union.
- (b) ² the need to ~~offset~~ ^{offset} the accession of the Yemen to the UAR.
- (c) ² the need for Kuwait's wealth to assist in maintaining Jordan, so that Iraq was not involved in an over-heavy financial burden.
- (d) ¹ the desire to exercise some control over the enthusiasm of some Kuwaitis and of the expatriate Arabs in Kuwait for the Nasserist type of nationalism which Iraq ² considered hostile to the Iraqi régime.

⑤ The Kuwaiti position was compounded of the following:

- (a) ² although the Kuwait Government regarded Nasser's ideology and indeed any form of revolutionary socialism as evil, it was deemed impolitic either to express the view publicly or to attempt to stifle such ideas in Kuwait.
- (b) Kuwait did not agree that her fate was bound up with that of Iraq.
- (c) ² the Ruler of Kuwait considered that in view of the widespread enthusiasm in Kuwait for the UAR and for Nasser, any attempt on his part to accede to the

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Arab Union against popular wishes constituted a real and immediate threat to his own position.

(d) there seemed, in any case, no real² advantage, either political or economic to Kuwait from accession to the Union.

⑥ It should be noted that Kuwait remained suspicious of Iraqi motives. That these suspicions were not unjustified was reflected in the fact that the Iraqi leaders had indicated privately that Kuwait had the choice of accession to the Union or cession of territory to Iraq, and that in the unlikely event of Kuwait adhering to the UAR or of a revolutionary situation arising in Kuwait, Iraq would not stand idly by. However, before matters had gone any further, the Iraqi revolution broke out in July 1958 and the question of Kuwait's possible adherence to the Arab Union became an academic one.

⑥ III. The Qasim Régime. 1958-1963,

14. During the months immediately following the Iraqi revolution relations between the two countries were fairly good, though distant. The new government in Iraq were² generally too preoccupied with more pressing problems to spare much thought to Kuwait, while the Kuwaitis, although their suspicions

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remained, ⁷_x were prepared to put off considering their own attitude towards the new régime until its attitude towards Kuwait was clarified. Towards the end of 1958 the Ruler of Kuwait paid an official visit to Iraq to discuss matters of mutual concern. During this visit the Iraqis made no demur at proposals for frontier demarcation, agreed to define the sea-bed frontier in accordance with accepted principles of international law and agreed to the formulation of regulations to govern extradition and the exchange of information on subversive matters. However, since neither the Kuwaitis nor the Iraqis were prepared to force the pace, the progress during the Ruler's visit was largely procedural and no real progress in substance was made towards a settlement of common problems. Qasim impressed the Ruler of Kuwait as strong, sincere and single-minded, although the Ruler also expressed some concern at the apparent increase in Communist activity in Iraq. Despite the Ruler's misgivings, however, it seemed as if real progress on matters of mutual concern might at last be possible, and that the new Iraq régime did not suffer from its predecessor's blind spot regarding Kuwait.

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15. Despite the promising beginning, however, matters did not improve and the two countries drifted steadily further apart. By May 1959 the Kuwait Government ^{had become} ~~was~~ convinced that Qasim was probably a Communist, and that even if he were not, most of his ¹administration was. In addition, the Ruler of Kuwait was convinced that Iraq still harboured aggressive intentions towards Kuwait. It is perhaps significant ~~that~~ ~~note~~ in this connection that the Iraqi régime as reconstituted in February 1959 was essentially hostile to the UAR and inclined to take an independent line. It is not unlikely that the Kuwaiti attitude was in part the result of UAR influence in Kuwait, although there was certainly sufficient justification for the Kuwaiti anxiety over Iraq's drift towards Communism. It is also relevant to note that the Ruler's anxieties over Iraqi intentions proved to be fully justified, although no overt move was made until June 1961.

16. Nevertheless the two countries continued to exist, if not in amity, at least without undue friction until the signature in June 1961 of the Exchange of Notes between Kuwait and the United Kingdom, which has come to be regarded as signalling Kuwait's emergence as a fully independent sovereign ²state. Six days after the signature, Qasim announced ^{at} ~~during~~ a

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Press Conference that Kuwait was an integral part of Iraq and that a Republican Decree would be issued the following day appointing the Ruler of Kuwait provisional Qaimaqam of the Qadha of Kuwait in the Liwa of Basrah, subject to his continued good behaviour. This public declaration had been preceded by Qasim's private action of tearing up the original draft telegram congratulating the Ruler on the Exchange of Notes and substituting for it a telegram written by him personally in which Iraq's claim to Kuwait was implicitly asserted.

17. Qasim's action seems to have taken most of his Ministers and officials by surprise and was, indeed, a radical break with the Iraqi attitude towards Kuwait which had developed since 1958. The Iraqi claim had not been voiced either officially or unofficially since then, and appeared to have been dropped. This view had been supported by Iraqi actions. Thus the Iraqi Government had asked in December 1958 for permission to install a Consul in Kuwait, and as late as 13 June, 1961, Kuwait's entry into the International Labour Organisation had been supported by the Iraqi delegate whose speech, on behalf of the Arab States, clearly implied Iraqi acceptance of the separate international identity of Kuwait. Only a few months earlier Iraq had sponsored

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the establishment of the Organisation of Petroleum Exporting Countries, of which Kuwait was also a founder member, while Kuwait's separate participation in the inter-Arab agreements on the establishment of an Arab airline and an Arab tanker company, in the Arab Development Bank and in a number of other Arab and international organisations were further proof that Iraq had accepted Kuwait's separate identity. 7x

18. In the days following Qasim's Press Conference, false reports of demonstrations in Kuwait in support of Qasim appeared in the Iraqi Press which also continued to proclaim Iraq's historic right to Kuwait and to support this claim by what purported to be historical arguments. However, the promised decree was never issued, although a Note, couched in relatively moderate language, in which the Iraqi claim was reasserted, was sent to all diplomatic missions in Baghdad on 26 June, 1961. During this period also reports of Iraqi troop movements and military preparations multiplied to the point where the Ruler of Kuwait considered the threat sufficiently serious to warrant asking for British assistance under the terms of the Exchange of Notes, and the first British troops landed in Kuwait on 1 July.

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19. Available evidence leaves some doubt whether the Iraq Government intended to follow up their aggressive words with action. On the one hand, there appears to have been no first-hand evidence of imminent military operations, but, on the other hand, Baghdad was full of rumours of troop movements. In order to deter the Iraqis from any action they might be contemplating, and in order to reassure the Kuwaitis, therefore, Her Majesty's Government thought it best to leave no doubt of their readiness to fulfill their obligations to Kuwait. It seems likely in the light of available evidence that Qasim had intended for some time to annex Kuwait by subversion, negotiation or conquest, but that the Exchange of Notes and the consequent public change in Kuwait's status caught him on the wrong foot. He therefore resolved to press on with his plans for annexation before Kuwait's claim to independence was further strengthened by recognition by other states and by her entry into the UN and the Arab League. It is thought that his claim at the Press Conference was made in the hope that this pressure, aided by pro-Iraqi elements in Kuwait would be sufficient to bring about the desired end. However, military dispositions were made in

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case forcible intervention proved necessary. It is probable that Qasim believed that British intervention was unlikely, and that if it did occur it would be too slow to forestall him. He was consequently forced to change his plans in the light of the strength of the British reaction and the speed with which military backing was provided for Kuwait.

20. Qasim's motives for reviving the claim to Kuwait are equally difficult to assess. Apart from any genuine belief in the justice of the Iraqi claim, it seems likely that he was attempting to divert domestic attention from the internal shakiness of his régime by focussing popular attention on some foreign venture. In addition it should be remembered that the wealth and economic resources of Kuwait would make Iraq the most powerful economic force in the Arab world, would greatly strengthen Qasim's internal position and would lay the foundation for subsequent expansion south into the Persian Gulf States. In addition, by diminishing UAR pre-eminence, Iraqi annexation of Kuwait would greatly strengthen Iraq's political position in the Arab World.

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21. Following his initial public claim to Kuwait, Qasim maintained a consistent line until his death in February 1963. Thus the Iraqi delegate opposed Kuwait's entry into the Arab League, and Iraq thereafter refused to have any dealings with the League on the grounds that Kuwait's admission was unconstitutional. Similarly Kuwait's application to join the UN was opposed by Iraq, and certain specific actions against Kuwaiti interests were also taken. Kuwaiti accounts in Iraqi banks were frozen, passports bearing a Kuwaiti stamp were no longer accepted, Kuwaiti vessels in Basrah harbour were seized on the grounds that they should have been carrying Iraqi papers, and all official contacts between the two countries lapsed. Z

22. However, informal contact was maintained, and during 1962 a number of attempts were made by merchants whose interests were suffering or who had an eye to the future, to reopen official contacts. In addition the Syrian Government proposed informally that Kuwait should become a sort of Arab Federal Territory and the home of the Arab League Headquarters. But the Kuwait Government, discreetly encouraged by Her Majesty's Government, resolutely refused to consider anything until Iraq formally recognised Kuwait's independent

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status. It should be noted that although these unofficial contacts were indicative of the distaste for Qasim's policies felt by many merchants and Government employees in Iraq, it should not be assumed that these were prepared to accept Kuwait as a separate entity. At most they disagreed with Qasim on the means of achieving his aim. There was therefore no fundamental change in the situation until Qasim was ^{assassinated} ~~executed~~ following the February 1963 revolution and a new, predominantly Ba'ath, Government was formed under President Arif.

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IV. Post-Qasim bdd lc

23. The initial Kuwaiti reaction to the coup was one of unrestrained joy and a feeling that Kuwait's problems had been solved. Indeed, the Acting Amir and Prime Minister, Shaikh Sabah al Salim, had to be restrained from his inclination to ensure that Kuwait was the first to recognise the new régime in Iraq in the hope of bouncing them into according reciprocal recognition to Kuwait. However, Iraqi reaction to Kuwaiti efforts to promote better relations, possibly leading to Iraqi recognition, showed clearly that the new régime had not necessarily abandoned the long-standing claim to Kuwait, although it was equally clear that its leaders were abysmally

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ignorant of the facts about Kuwait. The Kuwait Government, therefore, decided that their best approach to the new Iraq\ would be through the Arab League, although the feeling persisted that if Kuwait was to benefit from the change of régime it would be necessary for a delegation to be despatched to Baghdad fairly soon to make official contact. The Iraq Government appeared to regard Kuwait as possessing some of the attributes of sovereignty although not a fully fledged independent state, and it seemed as if Iraqi long-term hopes were pinned on the establishment of a form of confederation in which Kuwait retained her internal autonomy but in which defence and foreign affairs would be in Iraqi hands.

24. Unofficial contacts between the two countries quickly returned to their pre-1961 state, postal, telegraph and telephone contacts were resumed and the frontier was open again by the end of February 1963. However, in no case were the Kuwaitis advised officially of Iraqi action. There were, in fact, no official Government contacts for some time, largely because the new Iraq Government were faced with many more pressing problems requiring urgent solution. The lack of contact was,

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however, also due in part to the conclusion drawn by the Kuwaitis that it was in their best interests to await a first move by Iraq. Finally the Iraqi Foreign Minister announced on 6 March that his Government was willing to exchange ambassadors once more with those countries from which Qasim had withdrawn ^{them} ~~ambassadors~~ over the Kuwait crisis. He also stated that his Government accepted that Kuwait possessed certain attributes of sovereignty and respected them, and that they would welcome any delegation the Kuwait Government might like to send to Baghdad for discussions. He also suggested that the question of Kuwait should be discussed when the Arab League Secretary-General visited Baghdad. The Kuwaitis had already asked the latter to speak on their behalf.

25. On 21 March a Kuwaiti goodwill mission went to Baghdad, ostensibly to congratulate the new régime. The mission consisted of the Ministers for Foreign Affairs and Health, a senior Foreign Ministry official, and a prominent ^X merchant who later became Ambassador in Beirut, but it was not empowered to undertake negotiations. The mission returned to Kuwait after three days, carrying a cordial, though non-committal letter from President

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Arif to Shaikh Abdullah, addressing him as Amir of Kuwait, though not of the State of Kuwait. The Foreign Minister reported that the question of Kuwait's independence had been broached by the Iraqis, who had indicated their willingness to recognise Kuwait's independence if the Anglo-Kuwaiti Exchange of Notes of 1961 was abrogated, a form of association between the two States was established in which Iraq would control their joint foreign affairs and defence, and 50% of Kuwait's oil revenue was used to finance a development fund for use in Iraq and other Arab countries. However, Iraq would guarantee all existing oil concession agreements relating to Kuwait. The Kuwaiti delegation had replied that Kuwait would no doubt consider joining the union between the UAR, Syria and Iraq, which was under discussion at the time, once it had been set up. This was not however satisfactory to the Iraq Government who were hoping to join the projected union as a "strong" country - i.e., after the problem of Kuwait had been settled to Iraq's satisfaction. Although the Kuwaiti response was little more than a delaying device since the Iraqi conditions were obviously unacceptable, the Amir instructed the Council of Ministers to explore possible

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methods of satisfying the Iraqis while still maintaining Kuwait's position that unconditional Iraqi recognition of the sovereignty and independence of Kuwait was a necessary prerequisite to any further discussions on matters of mutual concern.

26. It was decided that an emissary should be sent to inform the Iraq Government of this and to tell them that Kuwait would be happy thereafter to enter into further discussion but that it should be noted that Kuwait's constitution, though it was no bar to Kuwait forming part of some larger confederation of some kind, did debar her from becoming part of Iraq, or indeed of any other state. The emissary returned to Kuwait on 3 April, with confirmation that the Iraq Government were insisting on the abrogation of the 1961 Exchange of Notes and on the establishment of some form of political and military association between the two states as a condition of recognition. The Iraqi proposals were still unacceptable to the Amir and he referred the matter to a committee whose recommendation that the Arab League and President Nasser should be advised of the exchanges was followed.

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27. On 8 May the Iraq Government suddenly and without notice despatched a delegation which included the Foreign Minister to Kuwait, ostensibly to return an earlier Kuwaiti visit to Baghdad. However, it transpired that the main Iraqi motive had been to ask for financial assistance, reportedly to the tune of KD 100 million. The Kuwaitis had apparently agreed in principle to give the Iraqis a long-term loan of KD 20 million directly in addition to a further KD 10 million through the Kuwait Fund for Arab Economic Development, provided a formula could be worked out which both saved Iraqi face and satisfied Kuwait's legitimate demands for unconditional recognition of her independence and sovereignty within the frontiers agreed in 1932.

28. In the meantime, Kuwait finally achieved membership of the United Nations on 14 May, 1963, despite continued Iraqi opposition, and her confidence in the strength of her bargaining position increased considerably. However, the Iraqi opposition to her entry clearly showed that Iraqi recognition of Kuwait would not be accorded without a fight. Early in June the Kuwait Government passed to

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the Iraq Government a draft formula, as promised, which provided for full recognition by the Iraq Government of the sovereignty and independence of Kuwait within the frontiers agreed in 1932 as a necessary precondition to discussing other matters of mutual concern. The Iraqis eventually agreed to recognise Kuwait within the 1932 frontiers provided Kuwait would abrogate the 1961 Exchange of Letters and would announce her intention of working towards a ⁷federation between the two States. The Kuwaitis, however, felt that there was no necessity to concede anything to the Iraqis at this stage and towards the end of June^e a Kuwaiti delegation made another visit to Baghdad, this time with specific instructions to obtain unconditional Iraqi recognition of Kuwait. Only thereafter would the Kuwait Government be prepared to review other issues, such as the provision of financial assistance and existing international obligations. This mission also returned empty-handed since the Iraqis were still insistent upon the abrogation of the Exchange of Notes, a condition which the Kuwait Government considered both unacceptable and none of Iraq's business. No further official contacts occurred for some time, although unofficial talks continued in Beirut, aimed at a compromise solution.

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29. By the middle of August, the talks, which had changed status and become official, had resulted in a provisional agreement which provided for action to be taken in two stages. Firstly, Kuwait was to offer Iraq KD 2 million as a gift to be distributed among the families of those who had been killed or had suffered damage to their property during operations against the Kurds. In response the Iraqis would send a letter to Kuwait expressing their thanks and offering formal recognition of Kuwait. Secondly, there would be an exchange of delegations to negotiate a loan of KD 10 million through KFAED on its normal conditions, and a further direct Government loan of KD 20 million, probably interest free. Iraq's recognition of Kuwait would be unconditional, but would probably contain some reference to the statement to the National Assembly made by the Kuwait Government on 16 April, 1963, in which they said that they would "take the question of the Anglo-Kuwaiti Exchange of Letters of 1961 into consideration, especially after conditions in the area have begun to become stable". Nevertheless the Kuwait Government insisted that any change in the terms of the Exchange of Notes was a matter for Kuwait to decide. It was subsequently decided that a

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joint communiqué should be issued after completing the first stage. The communiqué would contain an Iraqi statement recognising the independence and sovereignty of Kuwait within the frontiers agreed in 1932, a statement that both States would work together strengthening mutual relations and an agreement to exchange diplomatic representation immediately in order to establish cultural, commercial and economic co-operation. The agreed statement also eventually contained reference to the Exchange of Notes, stating that "~~the~~ the Iraqi side have taken note of the announcement of the Government of Kuwait made to the Kuwaiti National Assembly on 9 April, 1963, which embodied the desire of the Kuwait Government to work for the ending of the agreement concluded with the British at the opportune time".

30. Talks on the terms of the loan agreement continued well into September while the Kuwaitis became increasingly worried at the prospect of a united Ba'ath bloc consisting of Syria and Iraq facing them and at the possibility that a loan to Syria might be part of the price of Iraqi recognition. These fears were, however, largely removed by the announcement on 15 September that Kuwait and

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Syria were to exchange Ambassadors and that Syria was proposing to seek a loan from KFAED on its normal conditions. Iraq immediately raised the price of recognition, now demanding that the whole KD 30 million should be an interest-free loan. But since the Kuwaiti delegation were less anxious to achieve agreement at all costs now, the matter was referred to the National Assembly, which eventually approved a direct loan of the full sum, though not without opposition. An Agreed Minute was finally signed on 4 October, 1963, and arrangements for the loan concluded on 13 October, 1963. This was the last major act of the short-lived Ba'ath régime in Iraq before the counter-revolution of 18 November, 1963.

31. Public reaction to the agreement and the loan in Kuwait was generally that Kuwait had been put in the undignified position of having to pay for something that other States had obtained free. The merchant community felt that the loan was no more than a short-term answer to Kuwait's stability, with no satisfactory long-term prospects, while the younger educated Kuwaitis asked what Kuwait had gained from the Iraqi recognition which she had not already possessed, and what was to stop the Iraqis from asking for more.

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Opposition in the National Assembly was based on the arguments that Kuwait's membership of the UN and the Arab League and the fact that over 80 nations recognised her independence meant that there was no need for such an expensive and potentially impermanent deal with Iraq. Iraqi reaction to the agreement was also generally one of opposition. Many Iraqis felt it was humiliating to have to bargain for financial assistance, and the majority of them were not really prepared to accept anything less than the eventual absorption of Kuwait by Iraq, although they recognised that it was necessary to choose the most suitable method of achieving this aim.

32. Discussions also commenced at this time concerning practical measures for improving relations between the two States. However, the Iraq Government remained reluctant to consider demarcating the frontier and it was clear that this question, like that of the eventual adherence of Kuwait to Iraq, remained a sensitive political issue in Iraq. Nevertheless relations between the two States improved considerably on the practical level and by early 1964 agreement in principle had been reached again on the possibility of Kuwait drawing water from the Shatt al Arab.

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33. It was clear, however, that although the Kuwaitis welcomed the re-establishment of cordial relations with "sister" Iraq, they were privately sceptical of the real motives of the Iraq Government and remained suspicious of possible Iraqi moves against Kuwait's independence. In spite of these not unjustified fears, the Iraqi nationalisation measures announced in July 1964, which provided inter alia for the nationalisation of all banks, insurance and re-insurance houses and a large number of industrial and commercial firms, in all of which there was a sizeable Kuwaiti investment, took the Kuwaitis by surprise. The measures were regarded as a clear breach of undertakings made by various delegations, both Government and private, since October 1963 in an attempt to attract Kuwaiti investment, all of which were regarded in Kuwait as morally binding. The Iraqi Foreign Minister visited Kuwait the following month, ostensibly in return for an earlier visit to Iraq by a Kuwaiti delegation. However the composition of the delegation he headed was considered sufficient reason for the widely held view that the real purpose of the visit was to allay Kuwaiti misgivings and suspicions aroused by the nationalisation measures. It was equally widely held that if

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this were so his visit was a failure, in spite of the Minister's references to co-ordinated investment in mutually attractive schemes, while Kuwait's response to Iraqi ~~army~~ manoeuvres near the border in October 1964 were indicative of how seriously the Kuwaitis took Iraqi protestations of co-operation and friendliness.

34. An Iraqi economic delegation visited Kuwait towards the end of October and the visit resulted in the signature of the Economic Agreement of 25 October, 1964, together with its Protocol, setting out agreed measures to encourage private investment by nationals of each State in the other, with safeguards for ensuring the security of such investments and conditions for expropriation and compensation. Under the terms of the ~~Agreement~~ all agricultural, animal and industrial products from each State would be exempt from customs and other dues in the other, provided that the value of the local raw materials used in the finished commodity was not less than 25% of the total production cost. Natural wealth and industrial products were also covered, with the exception of certain items to be enumerated in separate schedules still to be worked out. The ~~Agreement~~ also provided for the free movement of capital between the two States, while

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X transit trade would be facilitated by the abolition of transit dues, and each State would grant the other most-favoured-nation treatment for its products. This agreement was not however ratified until June 1966, and the question of its practical implementation has since been used, albeit inconclusively, by Kuwait¹ as a means of provoking Iraq into positive action on the still unresolved question of frontier demarcation.

35. Towards the end of March 1965 the Amir of Kuwait visited Baghdad, when the main topic for discussion was the demarcation of the frontier. No real progress was made since the Iraq Government were still insistent on acquiring control of Warbah and Bubiyan Islands, but an agreement was reached in principle on the establishment of a Joint Frontier Commission charged with demarcating the agreed frontier. There were further official contacts during the year resulting in protocols dealing with co-operation in the fields of culture and information media, but despite these outward signs of cordiality, relations were not good, mainly because of Iraq's continued reluctance to demarcate the frontier and Kuwait's polite but firm insistence on progress on this matter as an essential precondition to any further

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c-operation. For this reason, as well as for the more cogent one that the Kuwaitis were reluctant to trust their water supply to Iraq, no progress was made either on the Shatt al Arab water scheme or on any of the possible quid pro quo's. Towards the end of 1965 relations grew worse when the Iraq Government commenced building a new customs post on the frontier at a point which the Kuwaitis regarded as indisputably Kuwaiti territory. Tension rose and threats were made on both sides, and although there were no serious repercussions and the issue subsided, the incident clearly demonstrated once more the Iraqi belief in the validity of their latent claim to sovereignty over Kuwait. Equally clear were the internal difficulties that would face any Iraq Government which reached agreement on the frontier issue. This resulted in continued Iraqi prevarication and no progress was made. By the middle of 1966, when the Amir of Kuwait paid an official visit to Iraq, the proposed Joint Frontier Commission had still to meet for the first time.

36. From the Iraqi point of view the most important result of the Amir's visit was the ratification by Kuwait and the exchange of instruments by both sides, of the long dormant Economic Agreement signed in 1964.

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It was further agreed that the five permanent committees dealing with various aspects of the agreement would meet in Baghdad within two months and thereafter at least once a year in Baghdad and Kuwait alternately. From the Kuwaiti point of view the most important result of the visit was the Iraqi agreement to arranging the first meeting of the Joint Frontier Commission within two months. It was known that the Kuwaiti delegation had indicated that progress on the economic front was entirely dependent on some positive Iraqi gesture over the frontier. It seems likely, therefore, that in view of the identical time scales, the establishment of the committees and the Frontier Commission were linked, in Kuwaiti eyes at least. Despite the Iraqi promises, however, no progress was achieved on the Frontier Commission before President Arif's State Visit to Kuwait in December 1966. Although this was the first official visit of an Iraqi Head of State to Kuwait since the latter attained full independence, and indicative, as such, of Iraq's ostensible change of attitude, the talks showed once again the difficulty of pinning the Iraqis down on frontier demarcation, and the Kuwait Government once more pointed out to the Iraqis that the chances of economic and financial

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assistance and co-operation outside the scope of KFAED were minimal and would remain minimal until progress was made on the frontier issue.

37. Between President Arif's State visit and an official visit paid to Kuwait by the Iraqi Prime Minister Tahir Yahya in January 1968, there was no noticeable progress made towards a settlement of the frontier between the two countries which would mark Iraq's final acknowledgement of Kuwait's independent sovereignty over a defined territory and which is a necessary precursor to any real and lasting improvement in relations between the two countries. Although the Joint Border Commission finally met in Baghdad in March 1967 and in Kuwait in October 1967, the first meeting got no further than an Iraqi demand for the cession of Warbah and Bubiyan, obviously unacceptable to Kuwait, while the second meeting did no more than endorse a suggestion, presumably advanced by Iraq to gain time, that both sides should survey the border areas separately again. Tension arose during April when the Iraqis moved troops up to the frontier area, removed an unoccupied Kuwaiti immigration tent and infringed Kuwaiti airspace; but the matter was quickly settled. During the Arab-Israeli war of June 1967 and

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subsequently the Kuwait Government were anxious lest the Iraqis would take advantage of the general confusion in the Arab world to move against Kuwait. However Kuwaiti nervousness quickly disappeared as tension throughout the Middle East dropped and by December the Kuwaiti Foreign Minister was confident that the frontier question could be settled without difficulty.

38. During Tahir Yahya's visit agreement was reached in principle on Kuwaiti financing, through KFAED, for a paper making plant in Basrah and a power station in Samarra.

Agreement was also reached in principle on the setting up of a joint committee to study the possibilities of establishing joint projects in the iron, steel, petrochemical, brick and sulphur industries. However, it was generally agreed that little significance need be attached to these agreements until further progress was made on the frontier problem. It was clear that frontier settlement was regarded in Kuwait as a necessary quid pro quo for any further financial assistance, or for any negotiations aimed at getting it.

Despite protestations of good faith the Iraq Government had by April still made no real positive steps towards settling the frontier question and other matters of mutual concern remained in abeyance.

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39. The Amir of Kuwait paid a brief official visit to Iraq on 15/16 June, 1968, but this appears to have been mainly of a courtesy nature, though some official discussion did take place.

40. Clearly, Her Majesty's Government's decision to withdraw their military capability from the Gulf by 1971, announced on 16 January, 1968, will have its effect on Iraqi-Kuwait relations, since the Kuwaitis have generally considered the continued obligation to Her Majesty's Government to give military assistance to Kuwait as the main reason for the 1961 Exchange of Notes and a matter of paramount importance to Kuwait's continued existence. It was for this reason that Kuwait reluctantly accepted the British proposals for termination of the 1961 Exchange. However for presentational reasons, the Kuwaitis wished to be able to say that the termination was at their request, and the Exchange of Letters of 13 May, 1968 recorded both the agreement on termination and the fact that Kuwait had initiated proceedings. The initial reaction in Kuwait to the announcement of the impending military withdrawal was one of stunned disbelief, followed by pessimistic suggestions that this would mean that it was only a matter of time

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before Iraq annexed Kuwait. There has been no visible Iraqi reaction as yet, although the announcement has no doubt caused the Iraq Government to focus attention on Kuwait. But Kuwait's support for the Arab cause, her large financial assistance to other Arab states, notably the UAR, and her separate membership of such bodies as the Arab League and the UN mean that an Iraqi attempt at forcible annexation is unlikely unless conditions in Kuwait are such that military action could be justified to the Arab World. In addition, as long as there remains a British defence commitment to Kuwait, this also is likely to inhibit direct Iraqi action against Kuwait, while the weakness of the present Iraqi régime and its preoccupation with the Kurds are also likely to inhibit such action.

41. The change in Iraqi régime of July 1968 does not appear to have materially altered relations between the two States, although the Kuwaitis seem determined to be optimistic about it. There is some justification for Kuwait's relatively relaxed attitude towards the new Iraqi régime, since it is, from Kuwait's point of view, an improvement on its predecessor, and probably on any Iraqi régime since 1958. The fact that it was a

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Ba'ath Government which formally recognised Kuwait's independence in 1963 and the fact that General Takriti, the new Iraqi Deputy Prime Minister and Minister of Defence, appears to have made a favourable impression on the Iraqis when he visited Kuwait with Abdul Karim al Shaikhly, the Minister of Foreign Affairs, on 4-6 November, 1968, are additional reasons for the Kuwaiti optimism. There has also been talk recently of plans to supply Kuwaiti natural gas and electricity to Iraqi industry and to extend the Russian-built railway from Umm Qasr to Kuwait and possibly on to Saudi Arabia. Kuwait would welcome the first of these plans since this would give her a hold over Iraq which would compensate for Iraq's hold over Kuwait's water supply if the Shatt al Arab water scheme ever materialises, while the railway is regarded as a purely commercial matter without strategic overtones, since it could easily be ^{destroyed} ~~raised~~. However Kuwait clearly has doubts about its staying power and it would be premature to suggest that a new era in Kuwait-Iraq relations had dawned.

V. Conclusions. *bold lc*

42. Although Kuwait's relations with Iraq are better than they have been ever before it would be rash to assume that the improvement is anything but temporary while Kuwait's

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frontier requirements remain unfulfilled, particularly in the light of the impending British withdrawal. It should be remembered that most older Kuwaitis profoundly distrust Iraq and Iraqi motives and that in addition to their concern about Iraq's past claims to Kuwait territory, concern about Soviet influence in Iraq has been growing. It is also worth noting that there has been little in the Iraqi attitude towards Kuwait since the 1961 Exchange of Letters which would encourage a modification of this distrust. Iraq is likely to continue to cherish her ambitions against Kuwait and as long as this situation lasts, Iraq will continue to present a serious potential threat to Kuwait. It is unlikely that the Iraqi threat will become active in the next few years, but in the light of this background it will be difficult for the Kuwait Government to remain optimistic about the prospects for a genuine and lasting improvement in their relations with Iraq - at least, not for some time to come.

Middle East Section,
Research Department,
~~5 February 1969.~~

Foreign and Commonwealth Office

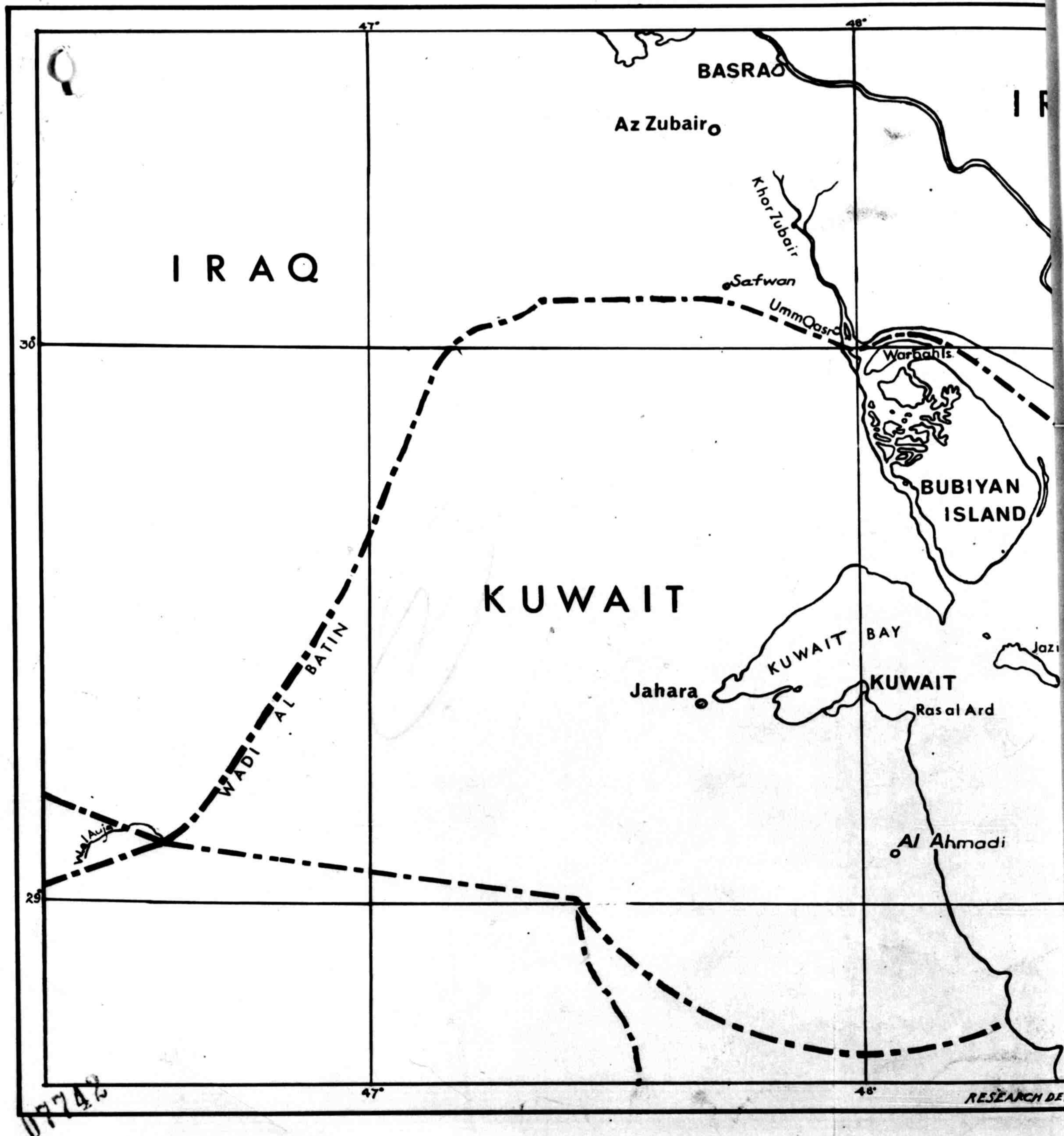
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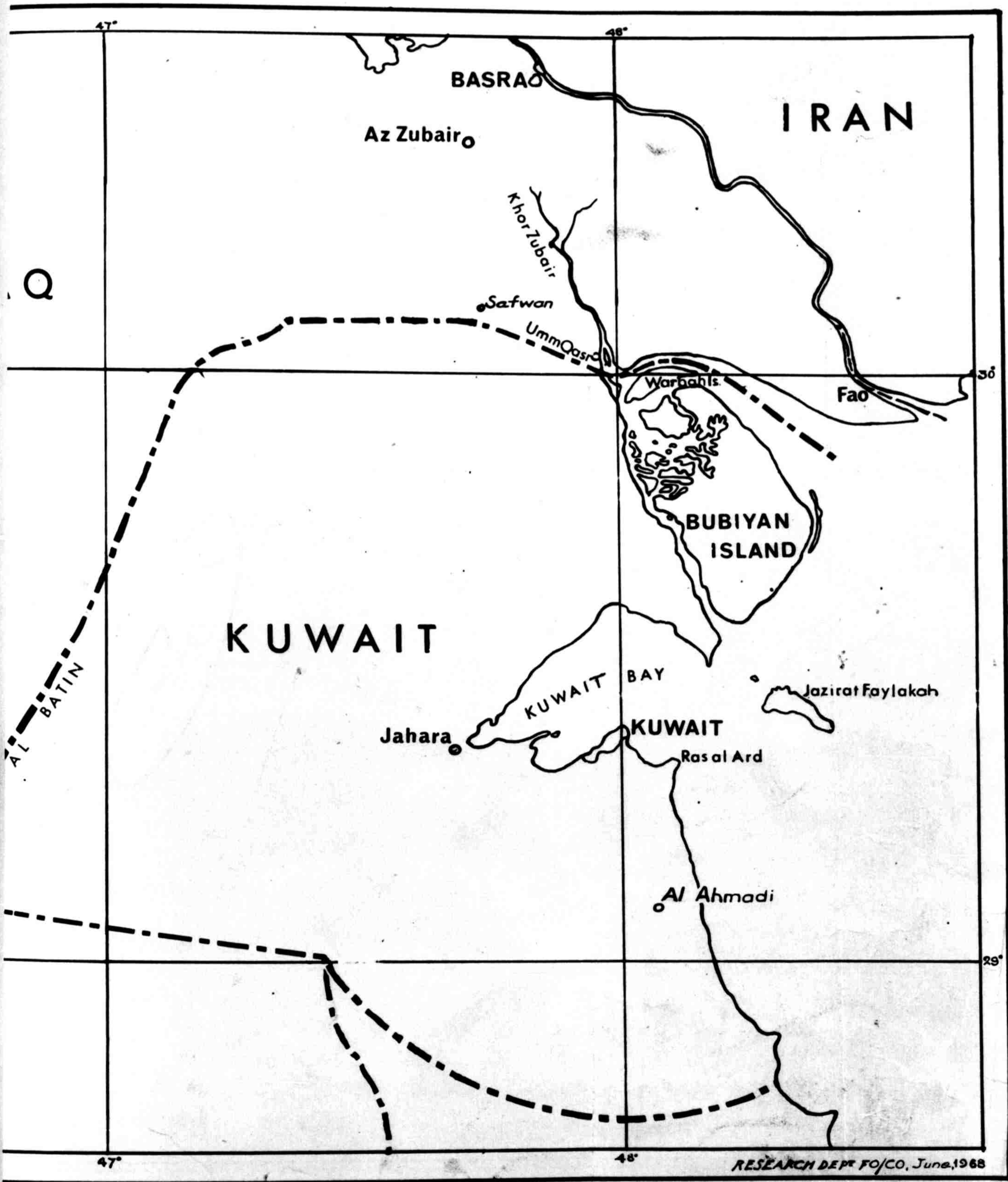
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Mr. Bannerman (Research Department) *✓* *8 m.*

The proposition suggested by Mr. Graham as the third weakness in the Iraqi case is put too broadly. In Africa, for example, the present territorial limits of some states which were formerly our colonies must, to some extent at least, be the result of British administrative arrangements. Or again, the territory of the People's Republic of Southern Yemen so far as I know has no more rational basis than that it is that area which was administered by us from Aden. The de facto administrative arrangements of a colonial ruler may take on a de jure character after independence. You cannot say that they always do so or that they never do so.

2. I have not been able to find a full study of the Iraqi claim and our answer to it. I do not think that the other two points made by Mr. Graham are quite right either. If we must summarise what probably would be the answer to the Iraqi claim, it might be on these lines:-

✓ "This argument ignores inter alia: the fact that Kuwait had been under Turkish suzerainty rather than sovereignty; the (unratified) Anglo-Turkish Convention of 1913 which recognised the autonomy of Kuwait within the Ottoman Empire; the arrangements made after 1918 for the disposal of the territories of the Ottoman Empire and for the creation of the League of Nations Mandate for Iraq; and Nuri es Said's letter of 1932 agreeing the frontier "between the two countries"."

This is designed to go as a third sentence in paragraph 1 of the draft. You may wish to place it elsewhere.

P. J. Allott.

(P. J. Allott)
27 January, 1969.

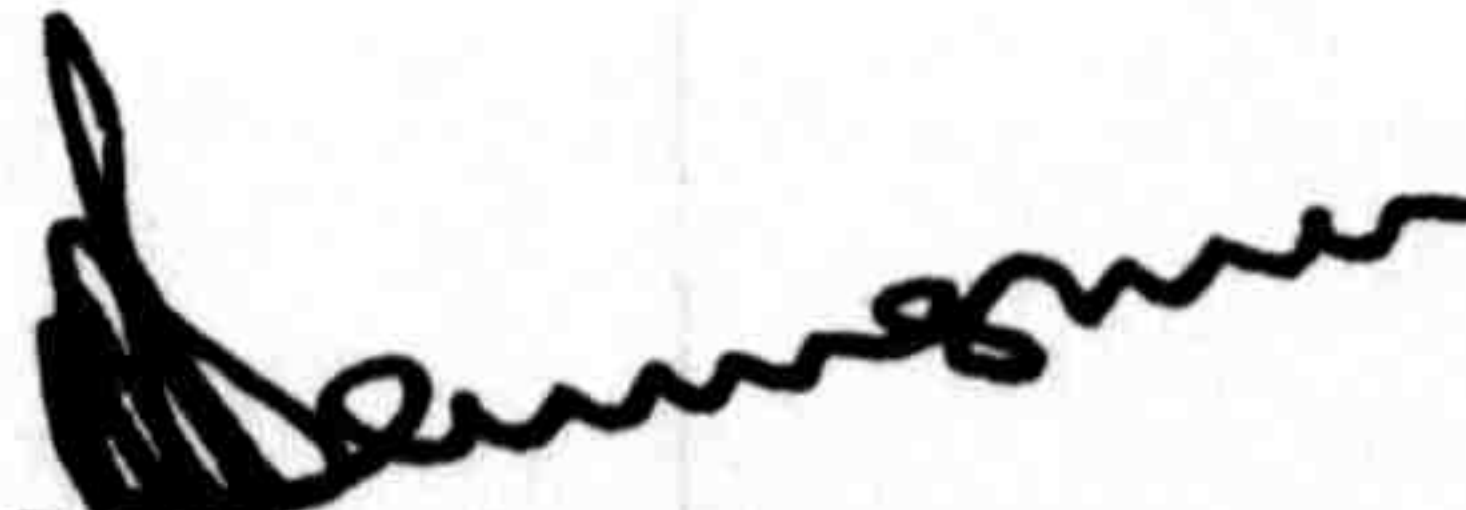
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Mr. Allott
A.I.A.

min
27/1

We spoke. I attach LR6/31 . Folio 4 para 2(a) is the relevant section. I also attach a short historical note giving the background to the Iraqi claim to Kuwait, which is based on the grounds that Kuwait formed part of the Ottoman Vilayat of Basrah before the First World War and that Iraq, as successor state in the area assumed sovereignty over Kuwait.

2. Of the weaknesses noted by Kuwait, the first is correct, the second not strictly true since the (unratified) 1913 Anglo-Turkish Convention recognised Kuwait as an autonomous ~~and~~ Qadha in the Ottoman Empire, though one in which the Turks were bound not to interfere, and the third is the one on which I would like your advice.


J.P. Bannerman
Middle East Section
Research Department.
16 January 1969

Memorandum, 'Kuwait/Iraq Relations'; Iraq's Claim On Kuwait. Kuwait/Iraq Relations. 6 Feb. 1969.
MS Middle East Online: Iraq, 1914-1974: Selected files from series AIR, CAB, CO, FCO, FO, PREM, T, WO, The National Archives, Kew, UK FCO 51/49. Maps. The National Archives (Kew, United Kingdom). Archives Unbound, link.gale.com/apps/doc/SC5107460633/GDSC?u=webdemo&sid=bookmark-GDSC&xid=21d5e07c&pg=1. Accessed 11 Apr. 2022.